

The Virtues and Vices of Common Services

By SIR ROBERT FRASER

The author was until recently the Director General of the Central Office of Information, established in 1946 as a partial descendant of the Ministry of Information. The Central Office, however, has no policy responsibilities, but is exclusively a common service, rendering to the home and overseas Departments a wide range of information and publicity services. This article, and the two which follow, are based on addresses to a conference on Common Services in Public Administration organised by the Nottingham Group of the Institute in March, 1954.

YOU see before you a common server if ever there was one. And let me at once declare myself—because a good deal of what I am going to say is to the effect that the introduction of common services should be approached with caution and that a common service is not the answer to every problem by any means—let me declare myself a firm and confident believer in common services. Well arranged, they reduce costs, raise standards, polish experts, perfect methods, increase the pace, exploit outstanding talents to the full, and make the very most of specialised professional prides.

Yet surely the first thing that must strike any cool and impartial eye moving over the common services is that they do not rank among the most warmly regarded and widely praised of our institutions. Everyone must have them if they want to follow the institutional fashions of our time, everywhere they increase in number, variety and size, and ever more trustingly we confide to them the status of monopolies in their own field. We everywhere need them. But we do not always love them. How often do we not say: "Heaven save us from those boys in the central something or other"; or: "Ten weeks they've had it now—what can anybody possibly be doing for ten weeks?"; or: "For goodness' sake, why am I not allowed to do it for myself?" Indeed, it is a pretty unobservant common server, and a pretty silly one, who does not know that a lot of those he serves think they could do the job a sight better themselves.

Now the first great question about common services is why this is so. Why do we create, organise and expand these common services, and yet remain so restless about whether we have got them right that they are the favourite trial grounds of O & M, and find themselves supplying, as today, the whole agenda for one-day conferences with distinguished audiences?

Well, I think the explanation is something like this. The *economic* case for common services is overwhelmingly strong, and it is because it is so strong that we introduce them ever more widely, and that we abandon them so very rarely. But though the economic case for common services is so powerful, the *administrative* case is more dubious, and for my part I think the *psychological* case may often lie against the common service. And it is due to the administrative difficulties caused by common services and their shortage of psychological charm that many people are not as enthusiastic about them as on their economic merits they ought to be.

Now it is time to be defining these terms. I am using "economic" in the economist's sense. When I say that the economic case for common services is strong, I mean that it seems to me that they produce the required

results with less use of resources than will any other method, or that they will produce better or more results at constant cost. And, of course, this I take to be true whether the product is an object of use, or an executive service, or just plain advice. When I say that the administrative case is more dubious or debatable, I mean that there are certain administrative difficulties associated with the management of the relationship between common services and the executive branches which they serve, and that these difficulties and the measures their solution makes necessary can be a nuisance, and rank in any case as a true cost to the organisation. The more common services, the more management and the more administrative overheads. When I say "psychological," I simply mean the way people feel—in this context, of course, the way they feel about their work, their colleagues and the organisation as a whole. For let us face the fact that common services can lead not only to administrative troubles but to feeling troubles—indeed, to what we call bad feeling. And all these factors must be taken into account when taking decisions about the common services—the economic, the administrative and the psychological.

Economic Gains of Common Services

To deny that common services do bring economic gains is to go against common sense, and to deny the validity of the universally accepted reasons for the economic progress of mankind. For the common service is no more, as an economic form, than the administrator's application of our old friend the specialisation of labour, one of the two active principles of all economic progress, the other being the development of mechanical aids. A man will do better not to try to grow his own food, build his own home, make his own clothes and cobble his own shoes, doctor himself, conduct his own legal defence, and educate his own children, let alone produce and transmit to himself his own T.V. programmes. Some such absence of specialisation is the mark of economically primitive societies to this day. Indeed, one may say that a ready test of the degree of economic development in any society is the extent to which it has managed to specialise its labour force—to let its people learn, master, and stick to particular skills. We can all see this in simple outline and at the first stage—indeed it is a truism.

Let me give a quite elementary example of the very simplest form of common service specialisation from my own Department. Once upon a time, Departments had no common means of delivering their news to the press. Each sent a messenger along Fleet Street and up and down its side streets. On any given day, there must have been quite a lot of these messengers passing one another. Now all Departmental press releases are delivered by a common service of dispatch riders operated by a central news distribution unit. You may exclaim, at this example from the nursery: "Well, a child can see that, and all such cases will have been cleared up long ago. You do not have to argue them." Do you not? Within the last few days I came across a case where some buying was being done directly and not through the specialised buying agency. The price being paid directly was rather more than six times higher than the price negotiated by the expert common service buyer.

Now I am being so elementary because experience causes me to doubt whether it is universally seen that the case for the common service is, at bottom, simply the case for the specialisation of labour, and that its benefits are but the benefits of the specialisation of labour: and these continue to be the benefits however far the common service principle is carried. Branches of one organisation may each have carried the common service principle to the point where each has its own internal common service for this or for that. It would be a further stage in the development of common services if all those separate but similar common services were then all amalgamated into one common service for the whole organisation; and so on indefinitely. But, you may say, why be carried into this heartless hall of mirrors in which one sees a never-ending vista of common services? Surely the first elementary form of common service exhausts the usefulness of the principle? But of course it does not. In fact, the really big returns of labour specialisation come as pooling widens and amalgamations proceed.

When the common service agency consists of a large number of people doing the *same* kind of work, there is doubtless a point in size beyond which no one will want to go. In an organisation of medium size, it will certainly pay to arrange for shorthand and typing services as a common service, but five pools of middling size may be more convenient and just as productive as one very large pool. But when the common service is composed of people doing a large number of different things or employing different skills, then the larger the common service, the more experts does it develop in separate branches of the work. This is a simple function of the quantity of work. Until there is enough work requiring some special skill to keep at least one person busy all day, it is not possible for one person entirely to specialise in and practise that skill. It is an entirely endless process—just as a tree never ceases producing more and more little twigs—expert little twigs.

The Larger the Scale, the Greater the Specialisation

You can see this principle of specialisation at work in a place like C.O.I., whose pooling of resources makes possible the development of separate branches of the staff engaged in journalism, magazine production, book publishing, photographic services, graphics, exhibitions, press and poster advertising, films, arranging tours for visitors and conducting social surveys, while each of these branches is large enough to produce its own specialist wigs—among its journalists, for example, its specialist writers on diplomatic, economic and industrial affairs, its specialists in knowing what will interest different parts of the world, its sub-editors, its feature editors and its feature sub-editors, and its experts in buying overseas rights in published material. It is the size that results from pooling in one place the staff needed by all departments for those kinds of work that alone makes such specialisation economically possible. Take away the common service, and you take away its size. Take away the size, and you take away the specialisation.

Take away the size and the specialisation, and you destroy something else too. You destroy the storehouse of experience which any good common service should become: accumulated experience of what works and what

does not, of what particular means have proved successful in the past, of which methods will be cheapest, of what media of publicity will prove effective in this or that particular case. It is from this hard-won storehouse that one draws the confident advice that this will be a waste of money, but that should do the trick.

There is yet a further and different source of cost reduction in common service pooling. In every hundred people practising some craft or skill one is best. If those hundred are divided into ten separate groups not under one command, one of the groups will be headed by the best man among the hundred, but his abilities will be able to show themselves and bring returns only inside that group. The other nine will profit nothing from him. Amalgamate the ten, place him in charge, and his abilities will be spread over the whole. And all this constitutes a vast gain in effectiveness.

Of course, all this is what *ought* to happen, and you can see that in my view it is what *will* normally happen. But, men and women being men and women, it is not absolutely certain to happen. If it was certain, there would be no bad common services; and there most certainly are. But where common services are bad, the cause will lie in indifferent or incompetent management or staff, in human and not institutional faults. By and large, and human abilities being equal, the standards of a common service will be conspicuously higher than can be achieved by a branch trying to do everything for itself—unless, of course, something has gone very wrong somewhere.

The Administrative Headaches of Common Services

Well, after this recitation of the glorious wonders of common services, let us turn over the seamy side, and look at the knotted threads which, as it were, represent the administrative troubles of common services. When one man is in charge of the full sequence of operations that culminates in the product or service which it is the prime purpose of the organisation to deliver, the line of authority and responsibility, the line of command, runs unbroken down all the stages and processes. Then the roving eye of the organiser sees that one need felt by the man in charge of one sequence is also felt by all other executive heads in charge of other branches of activity: a common need: aha, then a common service. You all need buildings, and you need them warmed, furnished and cleaned. Do not give them a thought, we will have a Ministry of Works do all that for you. You want something to write with and write on. Pencil and paper will be provided by the H.M.S.O., and it will do all your printing for you. You all need some publicity arranged and publicity material provided. Venture not yourselves. The C.O.I. will see to that. And within each organisation the same thing happens. Those of you who produce magazines and books, those of you who produce publicity material for advertising campaigns, those of you who produce photographic services—you will all need retouched photographs and finished art work. We will get up a common service studio to give you them.

Now in all these cases the straight line of command is broken. The man responsible for the result cannot *command* what happens during one or more indispensable stages on the way to the final result. Two are responsible, where one was responsible before. There is, therefore, at once a new labour

for top management : the labour of co-ordinating the work of the common service with that of the executive lines which it serves. There is the additional labour of explaining to the common service what is required : for it is more troublesome to explain to those outside the executive line and feeding it horizontally at a particular point than to those working vertically up and down it. There is, as practice shows, some waste work because of misunderstanding. There is also more to-and-fro, more paper and records of all sorts, more talk and more meetings and more committees. Common services can slow down the passage of business. You have to ask yourself whether they make up this lost time by the brisker pace their specialised skills enable them to put on once they have the work in their hands.

Now I do not myself think that there is anything here that causes insuperable or indeed any serious difficulty. The principle should be clear. It is the duty of the common service broadly to do what is asked of it, in fact to serve, and the responsibility for the final result, as well as for the instructions to the common service, rests with the man directing the main operation. If there is a difference of view—the principal saying he cannot get a good and prompt result because the service is bad or slow, the servant saying the principal is unreasonable and asks the impossible—the case must be examined and the verdict pronounced by the head of the organisation as a whole.

But this is no more than to say that the head of an organisation must ultimately resolve all unsettled differences within it. The introduction of common services redraws, it is true, the pattern of the lines of authority in an organisation. The vertical parallels are crossed or joined by horizontals. But though they cross the lines of authority, they need not blur them. The essentials of strong harmonious organisation remain—authority and responsibility must be with those directly engaged in the work for which the organisation was created, not with the functional specialists who are *advisory*, or with the executive common services, which are *ancillary*. In particular, functional specialists in branches or dependencies or sections of the organisation are responsible to and commanded by the head of the group in which they work. The functional specialist at headquarters cannot be allowed to give them orders to do this or that. His writ may cover "how" but not "what"—how an underground cable is to be insulated, but not where it is to go.

How Common Services Can Lead to Trouble

I have spoken of the psychological or emotional frictions that may be generated by common services, and it is time to say a word about these. But whether a common service is likely to generate friction or not will depend, firstly, on what sort of a common service it is in itself, and secondly, on whether it is an internal or external common service—that is, whether it is rendered from inside the organisation to various parts of it, or from outside the organisation to the whole or part of it. So we had better first try to make some rough classification of the different kinds of common service.

What all common services have in common is that they are contributory to an activity of which someone else—someone outside the common services—is in charge. This someone—this chief operator—cannot conduct his activity and reach his goal without them. This is just as true of skilled, personal

services such as those of the establishment or legal departments as it is of simple production services such as copy-typing or elaborate ones such as high-speed colour-printing. The chief operator cannot achieve his ends without staff, and he is therefore operationally dependent on the establishment or personnel division if he must secure his staff by its methods and employ them on its terms and its conditions.

At any rate for the purposes of my argument, I would differentiate common services in this way :

- (a) Simple standardised production, supply or distribution services ;
- (b) Intricate and variable services ;
- (c) Expert functional services.

By simple and standardised services, I mean, for example, central typing and registry services, the supply of stationery and filing cabinets, internal and external messenger services, and dispatch by mail.

By intricate and variable supply services, I mean the supply of products for which explicit and detailed specification is difficult and about the goodness or badness of which opinions must be expected to differ—products on which judgment expressed is in such terms as “ I like that ”, or “ I don't like that ”.

By expert functional services I mean legal services, accountancy, personnel services, personal travel arrangements, and suchlike.

Of these three kinds of service, the standardised supply and the expert service will cause the least bother, and will probably very largely look after themselves. It is over the variable services that the warning lights may flicker : and a pause for reflection will show why.

From the point of view of the responsible executive head and his assistants, a common service, I have said, is something on which they depend but which they do not control. Now where the product of the common service is relatively standardised and can be closely specified in quality and quantity and delivery dates can be kept, there will usually be, at least among reasonable men, little room for argument, and if the product of the common service is no more than a trifling part of the whole finished thing no room at all. But where the product of the common service may seem good to one judge but bad to another, and when it is an important determinant of the quality of the final product in which it is incorporated, then there is plenty of room for trouble.

What is more, the advantages of a common service in standardised products will be apparent to most people, and the common service will be accepted, even if with resigned grumbles about its mediocrity. The advantages of a common service in bespoke as against ready-made are not nearly so recognisable. As for the expert services, they will usually be accepted with grace and even gratitude for two separate reasons. First, we know that we are dealing with experts in subjects in which we admit ourselves to be uninstructed, and so our attitude is one of natural deference and respect. Most people think they know as much as the next man about day-to-day affairs of common service and common experience, but they accept without question, as better than their own, a lawyer's opinion on a point of law. Second, it is usually the case that the expert service is only an incident in the full sequence of events. It does not strike the operational head as a serious

invasion of his authority, a serious limitation of his ability to reach his ends in his own way.

As for the comparison between internal common services and external common services as potential trouble-makers, it does not always work as you might think. True, a wrangle between the internal common service and the executive line can be settled within the organisation by reference to its head, to whom both executive line and common service are responsible; and when a common service is external, it is difficult to secure a verdict on a dispute. In an article on common services in Government in the Winter, 1950, issue of PUBLIC ADMINISTRATION, Mr. Charles Hadfield makes the point—one of many I would make myself if they were not all so well made by him—that disputes between Departments over common services might have to ascend to relatively inaccessible Ministers before reaching the level at which there was the necessary formal authority to promulgate a decision. On the other hand, there is a tendency to accept from an external common service, in a mood of philosophic gloom, work that might not be accepted from an internal common service, simply because responsibility for the external common service seems to be placed plainly on someone else and because the only possible course seems to be to make the best of it, life being too short for endless arguments. And if there is bad trouble over internal common services, the presence of an internal authority with formal power to resolve them will not necessarily guarantee the blessings of universal peace. The fires of resentment can smoulder; the scars of decision can hurt.

Common Services Need Mutual Understanding

When there is trouble, what leads to it on the side of the executive heads, the users of the common services, is in large part or even totally irrational, and part of the old Adam in us. It is part of our ingrained nature to judge ourselves more generously than we judge others, to think that we could do better ourselves what someone else seems to us to be doing in a very middling way, to see others as muddlers and duffers, however well meaning. In part, this is caused by our lack of knowledge and understanding of the other man's problems. In part, we do it because it makes us feel nicely pleased with ourselves. So then we start to criticise the common service, to complain, and, if its insufficiencies seriously thwart our purposes, to get angry. Then trouble really starts. Or there may be trouble of another kind. The executives may not have done so very cleverly themselves. They may be on the mat before their own chiefs. They may be glad of a scapegoat. The common service will be at hand for this grisly role: and it may not be easy to bring home the responsibility to the executives if they are able, with varying degrees of justice, to suggest that the fault lies with the common service or the common service system. These are troubles which a straight line of command down the whole operation will avoid, but which may breed in the strip-cultivated soil of common services.

There may also be an emotional counter-offensive by the common service—I say counter-offensive because I do not myself find common services to be aggressive. But of course, being human, they do not like criticism, and, being human, they do not often feel it is fair, even when in fact it may

be. Then they get angry in their turn; and then the fat is in the fire. At this stage the common servers start to develop their own pugnacious pride. Are they not the best judges of what is good and right in their own field rather than these high and mighty, and slightly amateurish, users? Indeed, we are here on the edge of one of the delicate problems of common service leadership. If a common service does not develop its own prides and standards, it will be a poor thing: and if it does, it will not relish swallowing those prides, and turning in work at variance with those standards, just because that is the way the user wants it.

This line of thought leads us on to take serious note of the psychological danger to which common services on their side are exposed. It comes not from without, but from within. Their danger is that they will forget they *are* services, that their justification does not lie in any ends of their own, but in the aid they can give in reaching the ends of others. Common services should know not only their stuff. They should know their place. But this it is fatally easy to forget. A common service, as any other organisation, will develop its own character, outlook and traditions, its own likes and dislikes, its own rigidities of interest and method and structure. It will see the world through these lenses, it will become unconscious that the images it sees are subject to their distortion. Only a most consistent and sustained effort to understand the needs of the user will keep a common service—except of the simpler type—in sympathetic touch with him, and on top of its form. Of course, that goes the other way too. Users of a common service have a lot to explain before they can expect their needs understood. Easily the most common criticism you hear made in common services against the users of them is: "If only they could make up their minds what it is they really want." Wherever what is required from the common service is other than quite straightforward, the art of instruction—of what is called briefing—is the supreme art.

Perhaps we are now pretty hot on the trail of the losses, as against the compensations, of the common service system. It is really very easy indeed for any two organisations, if their interests or attitudes are at all likely to conflict, to drift right out of sympathetic touch with each other. And then we are bedevilled by Nature's woeful failure to equip us with what would have been the great social gift of seeing ourselves as others see us. If anyone doubts the paralysing effect of this missing gift, let him invite a frank and friendly outsider's opinion of his organisation. He will be amazed. "But it's nothing like us," he will say. "It is pure caricature." He will be as incredulous as a man is when he first hears his own voice, hears it as others hear it, and says positively: "It is not me at all."

Drawing Some Conclusions

Now if these suggestions so far are sound—that common services offer big economic advantages at the *certain* cost of some administrative complication and at the *possible* risk of some bad feeling, what conclusions might we be wise to draw? Perhaps such as these:

- (1) Because of the administrative and psychological risks, any proposal to set up a common service should be approached with caution

unless the economic advantages to be expected are plain.

(2) Where the product is standardised and not a significant influence on the quality of the full and final result, or where the service is expert but incidental, the case for the common service will be at its strongest: one may say that the onus of proof that it will not be advantageous rests on those who oppose its introduction.

(3) Where the product is variable and a significant influence on the final result, the case will be weakest: one may say that the onus of proof that a common service will be advantageous rests on those who wish to introduce it.

(4) When a common service is instituted, the frontiers of responsibility should be etched deep and clear, and top management must watch this frontier so that it does not become a disputed area.

(5) Once set up, top management must take a real interest in the common service, guide it, encourage it, defend it. After all, the common service expresses the policy of the management: the users might not have set one up if it had been left to their sectional choice.

(6) The common service must never lose the feeling that it has to justify its existence each day, that it cannot satisfy needs unless it has managed to understand them, and that—though even this will not be found a cast-iron guarantee—the plain demonstration of excellence is the surest basis of a happy life.

(7) Running an important common service may prove uphill work, and the head of it needs to be sensible and tactful: to choose a stiff and quarrelsome man as the head of a common service, or an indifferent one, is absolutely asking for it.

(8) The users of a common service must train themselves to understand how to use it, be encouraged to make themselves familiar with its problems and with the way everything looks to them; and in particular to learn that the way to get results from a common service is to encourage it, if necessary encourage it to do better, not to push it about. In fact I would say that pushing it about is a hopeless policy unless the common service is exclusively composed of human doormats—and if that is its composition, it is not worth having.

Optional or Compulsory?

I have so far made no mention of the question whether common service difficulties can be avoided by making their use optional instead of compulsory. I have assumed, in all I have said, that their use will be compulsory. It is of course the general rule that their use is compulsory. If there is a common transport service, it is not likely that any branch of the organisation will be allowed to pass it by and make its own separate contract with some outside transport company. If there is a typing pool, it is not likely that any section of the business will be allowed to entrust its work to some outside secretarial and typing agency. Still, on the face of it, it looks as if the simple way to avoid cases of friction might be to allow the user to go elsewhere if he wishes.

He could hardly be allowed to remove his work from the internal common service if the cost of getting the work done outside was higher. But why not make it a practice that he might be allowed to shift his work if he could get it done at a lower price than the estimated cost of the common service? I suppose the real answer to this plausible suggestion is that it is simply not worth bothering to organise the common service if, in general, what it does can be bought more cheaply elsewhere, and that the management of the common service would become insupportably difficult if it could not count on steady work coming to it from within the organisation of which it was part. There is also the very real danger that executive heads would prefer to make arrangements with outside suppliers rather than use the internal common service for no good reason but for a thoroughly bad one—simply because they would get more of their own way with an outside supplier than from the internal common service, which will have its own proper pride as part of the organisation. And since we are talking about the avoidance of bad feeling, what is more likely to cause bad feeling than the rejection of the help of one's own colleagues in the common service in favour of an arrangement with comparative strangers and with outsiders? I am therefore inclined to think that the fundamental question is not whether the use of the common service should be compulsory or optional, but whether there should be a common service at all. If it is decided to have one, then everyone had better use it, and with good grace.

Common Services in the Civil Service

This leads me to a last point. It is really not so much a new point as a new way of putting some old ones I have already tried to make. Whether a common service will succeed or fail depends in no small part on what you might call the level of civilisation of the organisation. If on the whole the internal manners of the organisation are good, if people are easy in temper and sociably inclined, if their minds are open enough and their sympathies quick enough to see how things will strike others and how others feel, if in fact they behave in a civilised way, then the conditions are favourable for common service work, not because the common service will then be able to get away with murder and come to no great harm, but because good common service work is an act of co-operation between two parts of the organisation. If, on the other hand, the organisation is full of unpleasant and impatient people who do not co-operate easily, are blind to the difficulties and the feelings of others, and confident that they could do everything a great deal better themselves, then common services, except in the most elementary standardised products, are doomed to work badly, or not work at all. Common services, in other words, are among the benefits of civilisation. They do not become practicable except within the fairly elaborate administrative and economic framework of a civilised society; and you cannot have them unless you use them in a civilised way.

If you will allow me to say this, I believe this is a main reason, perhaps the main reason, why common services do work so well in the framework of the British Civil Service. I dare say that Civil Servants have many faults. They are at any rate often heard saying so themselves, and before I became

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one myself I often heard others say so. They also have virtues, and several of these virtues are the very qualities of personality needed for the successful operation of common services. First, they are far from being stupid, and stupidity is a great enemy of the common service principle, because stupid people simply cannot see beyond their own doorsteps. Second, they take to team work like ducks to water, because they are sociable and courteous, with a strong natural preference for peace and its fruits rather than quarrels and their wastefulness. Third, they have a talent, which comes partly from their thoughtfulness and partly from their gift for sympathetic feeling, for appreciating the strength of opposing cases and opposing feelings, and reaching a workable accommodation. Fourth, there is their remarkable loyalty to one another. This is indeed the soil in which common services will flourish. It is only fair to add that the sort of faults that Civil Servants are said to have are, by and large, not of a kind to make difficulties for a common service, either.

Common Services in Local Government

By SIR HOWARD ROBERTS

This address was originally delivered by the Clerk of the London County Council at the conference of the Nottingham Group.

COMMON services are part of all organisations, from the smallest office or shop where a junior makes the tea and posts the letters to the biggest undertakings having many departments providing specialist services to the whole. I am therefore conscious that what I have to say on common services in local government may overlap to some extent with other speakers.

None the less, the purpose underlying an organisation's existence can, and does, have a fundamental effect on the way it arranges its business.

The elected local authority directs, through the medium of committees, a number of varied services for the public within limits prescribed by statute, and its freedom to organise its work in the most suitable way is limited because it must appoint certain committees and officers. The demands of statute in regard to the appointment of committees and officers and the "multi-purpose" nature of the work of a local authority affect to a considerable degree the division of an authority's work into departments, branches and so on—which is, after all, the basic problem in organising any large undertaking.

London County Council Practice

Although the London County Council is not a "typical" local authority, it is a very good example of functional organisation in local government. It employs more than 65,000 administrative, professional, technical, clerical and operative staff who work in offices, schools, fire stations, welfare homes, treatment centres, supplies depots, main drainage stations, and so on, and its annual budget is about £90,000,000 a year. The Council delegates as much responsibility as possible to committees, to sub-committees, and to heads of departments.

Committees

Eleven of the Council's fifteen committees administer particular services to the public. Then there are three committees which do not administer services but further the work of all committees by co-ordination. These are the Finance, Establishment, and General Purposes Committees, which co-ordinate the work of all committees from the financial, staffing and certain policy aspects. We call them "co-ordinative" committees and, in a sense, they can be regarded as responsible for common services. In a somewhat similar way, the fifteenth committee, the Supplies Committee, "serves the services," by providing stores, equipment, vehicles and so on. Thus it is a truly functional or "common service" committee.

Departments

For the purpose of day-to-day management of the work, each service is the responsibility of a particular executive department. But the L.C.C. has never believed that each service should be strictly self-contained with its own committee and department working independently from the rest.

"Service" organisation carried to its logical conclusion would result in lack of co-ordination and the duplication of specialist skills—professional, technical and administrative—ancillary to each. Modifications introduced into the "service" pattern of organisation at the committee level have therefore been carried even further at departmental level. Each service department, in addition to the day-to-day management of the service which is its particular responsibility, provides a common service appropriate to its own professional or other skill for all departments.

Here are a few examples to illustrate what I have just said. The London Fire Brigade is, of course, mainly concerned with the fire-fighting service. In addition, however, it assists the Public Control Committee on fire precautions at places of public entertainment, and advises on fire arrangements at the Council's buildings in London. Then, the Public Health Department, while primarily concerned with the general health services, provides nursing staff for the Education, Welfare and Children's services, and the Chemist-in-Chief in the department does analytical work for a number of services. Similarly, the Parks Department's main job is running the Council's parks, but it also gives horticultural advice and help to other services—on the layout of housing estates, for example. The Chief Engineer runs the main drainage service and those aspects of the highway service which the Council administers, such as bridges, embankments and improvements. At the same time, his department is responsible for engineering works for all services.

So much for the functional or "common service" principle which runs throughout the Council's organisation. I will now say a little about some of the more important common services which the Council has set up.

Establishment Work

One of my duties as Clerk of the Council is to keep a continuous watch over the conditions and activities of the Council's staff as a whole, with a view to its effective and economical employment, and to report concurrently with other heads of departments on their staff proposals. For this purpose, I am assisted by a Director of Establishments, who is in charge of a central Establishments and Organisation Branch in the Clerk's Department and who has the status of a chief officer.

The Council's staff of 65,000 people is spread over 1,200 grades, trades and professions, and you will readily understand the need for central control and co-ordination of staff management. Right from the earliest days of the Council's existence there has been a realisation of this need which has found expression in the appointment of an Establishment Committee, whose powers and responsibilities have been increased from time to time, especially in recent years.

The Establishment Committee maintain a general scrutiny of the numbers, grading, pay and conditions of all staff other than teachers. This enables the proposals of the service committees, in regard to staff, to be commented on and reconciled with the total service requirements before final decisions are taken. These committees have reports from the Director of Establishments on all staff proposals. If a service committee have in mind a project which involves staff, they must submit it to the Establishment

Committee who have a say in the proposed arrangements. Any sustained difference of view—a very rare eventuality—goes to the General Purposes Committee for settlement.

Some of the activities of the Director of Establishments deserve particular mention from the aspect of the common service :

(a) He handles the recruitment of permanent clerical and junior administrative staff for the whole service, and all that that involves in the way of arranging examinations and interviews and allocation to the various departments. The Council thus ensures a uniform standard of education and ability and a fair distribution of talent throughout the service.

(b) He conducts negotiations with Whitley Councils on conditions of service and remuneration—a most important field of activity which has greatly increased in complexity and volume since the war.

(c) He is administering a scheme whereby a service selection board assists in the choice of candidates from all departments for the higher appointments in the service by interviewing senior officers.

(d) He co-ordinates arrangements for staff training throughout the service, especially as regards administrative and clerical staff.

(e) He is responsible for the closely related activities of O & M and Staff Inspection in the Council's constant search for efficiency and economy. Organisation and Methods and Staff Inspection, which is concerned with control of staff numbers, have been very much in the public eye in recent times, and I will describe briefly our present arrangements.

The Council has had an O & M Section for five years, and it has done a very great deal of useful work :

(i) In the sphere of work common to all departments, such as pay rolls, document reproduction, mail handling, contract and tender procedure, transport, and the preparation of bills for payment ;

(ii) In reviewing in detail the organisation and working methods of individual departments, divisions and sections.

It has built up a fund of knowledge on clerical and accounting methods, office machinery and equipment, which is available to all departments, and its advice is sought by them on a wide variety of problems. The section also advises on the proper design and use of forms, and has introduced a series of "common service forms" to replace a multiplicity of different forms used by the various departments for similar purposes. These activities have resulted in considerable savings in staff and money.

Our latest plans in this sphere of organisation and efficiency provide for the work and organisation of each department in turn to be reviewed once every five years or so to secure the greatest possible efficiency and economy. Each review is conducted by a steering committee composed of senior officers of several departments including that under review. The

detailed field investigations are carried out by trained O & M staff. The first department was, at my request, the Clerk's Department, and the investigation has been well worth while.

Supplies

The Supplies Department provides probably the best example of a common service in the Council's organisation. It is a large and complex business organisation responsible for buying, storing and issuing over 60,000 varieties of supplies to all departments, covering about 3,000 establishments; it is responsible for all printing, bookbinding and similar work, and for advertising; and it also carries out, by direct employment of labour, the repair, servicing and even some construction of the Council's transport fleet of 1,000 vehicles, the repair of furniture, cleaning of offices and so on. The department also condemns and disposes of obsolete and worn-out equipment and materials, and sees to the efficient collection of "empties," which may not sound important but which accounts for credit amounting to well over £200,000 a year.

You may be interested in the main reasons which led the Council in 1909 to establish a common supplies service by amalgamating a number of independently managed stores:

(i) It is almost axiomatic that the officer in charge of stores should not be the one responsible for their consumption.

(ii) Manufacturers and contractors were deterred from tendering for small quantities or for delivery to a large number of receiving points, but would quote for large quantities delivered to one point, and a central organisation purchasing for the Council as a whole would be able to go more to manufacturers instead of to wholesalers or merchants.

(iii) Instead of contractors being able to deal differently with different departments, the best terms and standards could be obtained for all.

(iv) There was waste of clerical labour through handling too many invoices because orders emanated from several departments, and misdirection of administrative effort through depots being managed independently in service departments.

(v) It would facilitate the realisation of the Council's policy of dealing only with firms where the pay and conditions of labour conform to established standards and where the premises and equipment are of a standard appropriate to the contract.

All these reasons—call them basic principles if you like—are still valid, and have been strengthened by experience. None the less, a common service of this nature must be administered efficiently and economically, and in closest collaboration with the "customer" departments. Although requirements are usually notified by formal requisition, contact with customer departments includes much personal contact and consultation at all levels. Special liaison arrangements are made where desirable. Moreover, central purchasing is not operated inflexibly. For example, the Chief Engineer

and the Architect arrange the supply of equipment like central heating boilers which are in the nature of constructional work rather than of normal supplies. And all heads of departments may in emergency place orders on contractors and make petty cash purchases, without prior reference to the Supplies Department.

Finance

Financial work, as you all know, is based upon simple principles, but it requires the specialist approach—the approach of the accountant and the auditor. The Council has to decide what are the available resources and how best to apportion them between the many activities. These problems are the special charge of the Finance Committee and the Comptroller of the Council. He draws up the Council's budget year by year on the estimates prepared by the service departments, and watches to see that the various allocations are not exceeded. In the process he investigates the financial implications of all activities in hand or contemplated, and he advises the Finance Committee thereon. He also advises all departments on financial work and procedures, and conducts an internal audit covering all services.

Legal Work

The Council's legal and parliamentary work is also organised as a common service under the Solicitor and Parliamentary Officer. This department is a further example of the grouping together of professional skills to serve the whole service.

Valuation

In much the same way the work of acquiring, managing and disposing of real property of the Council, for all its services, is carried out as a common service by the Valuation Department.

Typing

Unlike many other large organisations we have also set up a common typewriting service. Our centralised Typewriting Branch, which incidentally is the largest in the country, is in the Clerk of the Council's Department and provides a central typewriting and duplicating service for all departments at the County Hall, where nearly 300 shorthand and copying typists are employed in a central pool. It is also responsible for supplying about 200 other typists out-posted to local offices and establishments. Its functions include recruiting and training typists and advising on the use of dictating machines and other related equipment.

Press Publicity

Another sphere where we now have a common service is that of press publicity. The Council set up a Press Bureau on a modest scale in 1935 to publicise the work and services of all departments, except the Education Officer's Department and the Fire Brigade, which continued to handle most of their own press publicity. By 1949 the work had grown so much and become so specialised that it was decided to centralise under the Clerk of the Council's direction the supply of press information on all branches of

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the work and services, except the day-to-day working of the Fire Brigade, which is literally such "hot news" that the press welcome direct contact. The central Information Bureau was also placed under the Press Officer's supervision. This centralisation has worked very well; the Press Bureau has a recognised system of contacts in all departments for the rapid collection and checking of information, and the Press Officer has direct personal access to heads of departments and Council members.

Co-ordination

I should not end this review of the L.C.C.'s practice without referring to co-ordination, so far as this is undertaken at the official level. The boundary line between the co-ordinative and the functional role is not always clear. Division of work must be accompanied by co-ordination, and this is particularly necessary in any undertaking where much of the work is organised "vertically," otherwise the natural rivalry between services may lead to the success of one at the expense of the other. Co-ordination does not fall under any heading of division of work; but it can be regarded as a managerial function linking the vertical services horizontally. It is a common service.

In the Council's service, the main task of co-ordination is undertaken by the Clerk of the Council's Department. As the chief administrative official of the Council, I am responsible for seeing that the Council's business is carried on properly and as prescribed by statute. To this end I am the clerk of all central committees and sub-committees, and I am responsible for advising on all questions of procedure. It is my function to assemble business for consideration, whether that be by the Council itself, its committees or sub-committees, or by some informal group of elected members. My department must ensure that the business is covered in an orderly, careful and useful way; record properly, adequately and accurately the decisions taken; and transmit them to those concerned. In this capacity, I am the Council's Secretary. I am also the principal adviser of all chairmen of committees and of the Council itself.

There are many subjects which inevitably involve co-operation between several departments. Civil Defence, for example, involves the application of a set of principles of defence, of organised parties, of material and shelter, to almost every service which the Council runs. Their application is necessarily varied and it falls to the Clerk of the Council to act as co-ordinator.

Current Developments

I now have to say a little about current developments. As regards the local government service as a whole, I think one of the most striking developments in present times is the growing tendency for local authorities to handle establishment matters centrally. This interest began to develop, I suppose, in 1934 when the Hadow Committee in their notable report advised that every local authority should entrust to one committee all questions affecting the recruitment, qualifications, training and promotion of officers. The Committee were of opinion that the alternative method of leaving to committees the control of their own staffs had the prime disadvantage that they could not review the whole of the establishment and could not, therefore,

be expected to take the comprehensive view of the authority's requirements essential for systematic organisation. The Hadow Committee also advised that the clerk of the authority should normally be the officer responsible for advising the establishment committee, but large authorities should consider appointing an officer to assist the clerk.

The result has been an increasing tendency, especially since the war, of local authorities of all sizes to organise their establishment work, in all its ramifications, as a common service with an establishment officer normally advising the Clerk and with an establishment committee playing their part in the national drive for efficiency and manpower economy. The Royal Institute of Public Administration has been very helpful in recent times by arranging conferences to consider and discuss establishment problems.

In a somewhat similar way local authorities are also growing more conscious of the benefits accruing from centralised purchasing and are revising their arrangements accordingly.

Problems Arising From Common Services

Now for a few words on the problems arising from common services. Whenever work common to all or several departments is under consideration, whether on an *ad hoc* basis or as a corollary to regular review, the kind of questions which pose themselves are, in my experience :

- (i) Are the existing arrangements wasteful of material and manpower?
- (ii) Do they involve varying standards of performance or inequality of treatment?
- (iii) Would centralisation of the work save manpower, for example by making possible the economical use of machines, by reducing idle time, or by facilitating control?
- (iv) Would centralisation enable the employment of specialist staff, and, if so, could they be obtained, how much would this cost and what benefits would accrue?
- (v) In short, could the work be better organised, the necessary standard of service maintained, and money saved, by grouping it together?

I have not by any means exhausted the list of considerations which we have had to take into account in deciding whether or not to set up a new common service. But I have said enough, I think, to indicate what our experience has been, namely, that each problem of this kind needs to be tackled strictly on its own merits in the light of all the pertinent factors, and that this has inevitably meant a great deal of research and very careful thought and discussion with everyone concerned.

Transport

Let me now give you some examples, without going into too much detail. We have recently been at pains to improve our arrangements for control of transport. Before 1950 the departments had their own separate

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transport fleets, totalling nearly 1,000 vehicles, excluding the Fire Brigade, which had better be left out of reckoning in this part of my study in view of its special operational requirements in the way of transport. The departments had specific responsibility for the most efficient use of their passenger cars and implied responsibility for the non-passenger vehicles. The Chief Officer of Supplies had always been responsible for purchase of vehicles and major repairs, and also had control of a pool of vehicles for use by departments when their own resources were not enough.

A review of the arrangements was carried out. As a result it was decided to give the Chief Officer of Supplies responsibility, for an experimental period, for advising and reporting concurrently with other heads of departments on any matters relating to their departmental transport which had a bearing on the efficient and economical operation of the Council's transport as a whole; for the general policy relating to the provision of transport, including alternatives to ownership such as hiring and use by officers of their own cars; and for organising and carrying out the training of all drivers. In short, he was to co-ordinate the use of all transport. These co-ordinating powers were limited, however, and could only be brought into play when, for example, a department wanted new vehicles.

The whole question was recently reconsidered, with a view to securing further economy consistent with the paramount requirements of the operational services, for example, by cutting down the number of visits by similar types of vehicles to the same premises.

So although we are not introducing a unified common service for transport, we have a fair measure of central control and co-ordination and are saving money.

Document Reproduction

Another matter we have given attention recently is the reproduction of documents of all kinds—forms, circulars, reports, diagrams, plans and maps. At present the simpler documents, of which up to 500 copies are needed, are duplicated in the Typewriting Branch. All other documents are reproduced or normally printed by contractors on terms arranged with the Chief Officer of Supplies, to whom all demands for printing work are sent. Documents like plans and diagrams, which are best copied by photography, are reproduced either by the departments concerned on photopying machines, or by commercial firms.

The Council's O & M Section carried out a detailed enquiry into the relative costs and merits of a domestic offset litho installation as part of a broader survey of the merits of reproducing documents by any suitable means and by direct labour at one central point in the Council's service. It was established that a lot of money should be saved by having such an installation to reproduce the kind of document which lends itself most to this process. It will be placed under the control of the Chief Officer of Supplies, who could ensure economic use of the installation. The number and type of machines and operating staff required were estimated, and the problems of suitable accommodation, packing and delivery, costing, and effect on existing contracts considered.

It was decided, as is often advisable in setting up new processes, to

proceed by stages to give experience and to train the staff, and later to develop the installation further if the advantages envisaged were, in fact, achieved.

Mail and Payroll

We have also given considerable attention to other jobs which concern all departments, such as mail handling and payroll. After an exhaustive enquiry by an inter-departmental committee into the pros and cons of centralising mail handling, we have come to the conclusion that the existing arrangements, whereby each department by and large does its own, are the best for our needs. As regards payroll, we have done much to centralise and mechanise weekly wage payment within the departments—a process which often involves delicate negotiations with trade unions—and the Comptroller pays all salaries, except those of teachers and certain other staff. The possibility of eventually centralising all pay arrangements, for permanent staff at any rate, is not being lost sight of, but there are many difficulties in the way, not least being the size and complexity of the job. A big step in this direction could perhaps be made if the clerical staff were to be transferred from a weekly wage to an annual salary basis, but there is little evidence that such a move would be welcome to the staff concerned.

Future Trends

As regards the future, I have already hinted at certain possibilities which can be foreseen so far as my own authority is concerned and in the light of its present functions. For the local government service as a whole it is far from easy to prognosticate because, although a lot is being said and written about the future of local government, who can really say what pattern is likely to emerge? Moreover, the functions of local authorities are constantly being added to and subtracted from; they are never static for long. Local government's experience over the years suggests that general organisational principles must be applied flexibly and with due regard to changing circumstances in the course of the country's social evolution.

Possibilities for improvement in organisation of work may sometime be obvious. More often they remain submerged, for a time at least, by the day-to-day problems which preoccupy responsible officers at all levels. It is not until the problem reaches a size or importance where it presses upon the attention of some responsible person, or until it is examined in the course of some independent review—such as an O & M enquiry into work common to more than one department—that something is done about it. This makes the provision of machinery for the continuous review of objectives, organisation, working methods and staffing essential. I have already mentioned what the L.C.C. is doing nowadays in this field.

I am convinced that the growing attention given by local authorities to their organisational problems—whether as a result of manpower and money shortages, of the pressure of public opinion, of example from other authorities and public bodies, or of any other influence—will lead to an increase in the use of common services. The more O & M techniques are developed and used, and the more local authorities and other public bodies indulge in critical self-examination, the more opportunities will emerge for greater efficiency and economy through such media as the common service.

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One has only to think of the Treasury O & M Division's recommendations on Coventry—the one on centralisation of establishment work in particular—to see the truth of this. Here again, the R.I.P.A. is playing a most useful role, not only in fostering "O & M-mindedness" and organising training in O & M work, but also by undertaking studies of administrative problems confronting all public authorities and publishing the results. I feel sure that the Institute's work in this direction will bear very good fruit in the years to come.

Conclusion

I have tried to explain to you the largely functional nature of the Council's organisation and the background against which it has evolved; I have dealt with the problems involved in co-ordinating the large number of services and activities carried out; I have referred to the continuous attention which has been paid to problems of organisation. I hope I have convinced you that we are very much alive to the advantages of centralising functions and operations wherever possible, subject always to the requirements of statute and of democratic control, and to the maintenance of adequate standards of service.

Common Services in a Public Corporation

By J. LATHAM

This article is based on the text of an address by the Director General of Finance, National Coal Board, to the conference of the Nottingham Group.

IN considering common services in nationalised industries, I am bound to deal with the case of the National Coal Board. My remarks must not be taken as necessarily representing the Board's views, although in this field the disclaimer is not so important as in others, since common service issues are normally determined by practical considerations.

The National Coal Board is only seven years old and is therefore very young by comparison with the Civil Service or even the London County Council. We cannot be expected to have reached considered judgments on some of the common service issues, but our experience in working out tentative answers may be of interest and value.

My point of view is that of the public corporation, but I am afraid the approach of the N.C.B. is bound to differ from that of gas, electricity or transport, because they have different problems and different structures of organisation. I cannot claim to represent the public corporations, but merely to give examples of their problems.

The objects which are sought to be achieved by the provision of common services are to avoid duplication, to ensure the economies of large-scale operation, and to make the best use of specialised knowledge.

It is possible to place in three broad groups the considerations which determine the nature and extent of the common services to be provided. Those in the first group are mainly factual or are based on assessments which can be made with confidence and a fair degree of accuracy; they usually relate to savings in operating costs, such as the economies to be derived from centralising the transport or accounting services. Secondly, there are considerations such as the advantages to be derived from a common buying service, which are more difficult but still capable of assessment, and tend to relate more to the results to be achieved rather than to cheaper operating costs. Thirdly, there are the general considerations—particularly those resulting from human qualities and the interplay of human beings with varying personalities and characters.

In a large industrial organisation, the third group may be of decisive importance. It may be possible to demonstrate that to centralise accounting or buying would provide a more economical and efficient service. But what about the effect on the morale of the management units that are shorn of some of their staff and functions? Would it be possible to obtain the co-operation and mutual confidence of the centralised service and the management units? Are people available with both the technical efficiency to operate a service and the personal qualities to ensure its successful acceptance by those served? Quite apart from the results of human failings which we may deplore but must recognise, it is probably true that, other things being equal, the best results are achieved by self-contained units which can develop their affairs with full responsibilities and full powers and none of the stresses

and limitations which too easily appear in a large and complex organisation. I will try to illustrate these problems of personalities and human reactions when dealing later with some N.C.B. examples of common services. My broad conclusion is that the onus must rest on common services to prove themselves; they should not receive the benefit of the doubt.

Questions about common services may arise in two ways: firstly, as to the extent to which common services should be provided for all concerned at a single level, e.g., for every department at the Headquarters of an organisation, and secondly, as to the extent to which common services should be maintained by one level for other levels, e.g., by Headquarters for Divisions or Areas. Normally in such cases, services are maintained by a higher level for the use of a lower level, but the reverse could be true in a limited number of cases. I think that the more difficult questions arise, in the case of nationalised industries, in the second type of question, although local authorities may be more interested in the first type.

We should recognise the distinction between executive and advisory services. By executive services I mean such things as the physical provision of transport or the actual buying and distributing of stores. On the other hand, advisory or consultative services perform no direct functions for others, but provide information and advice.

I do not propose to consider "housekeeping" services necessary for large offices or other units—the provision of accommodation, furniture and stationery, cleaning, and so on—but to deal with cases of greater difficulty and importance.

The National Coal Board

Before referring to common service practices and problems of the Coal Board, I must briefly describe some of the main features of its functions and organisation.

The Coal Board's task is to operate an industry and its main emphasis is therefore industrial, not administrative. I say that their task is to run an industry, but in fact the Board is responsible for several industries. Apart from nearly 1,000 coal mines, it has substantial interests in coke ovens and by-product plants, brickworks and farms, and smaller interests in many other activities. It owns 150,000 houses and 200,000 acres of land. Geographically its interests are spread through many parts of England, Scotland and Wales. They are responsible for about 1,500 separate operating units, most of them employing a substantial number of people. The total pay-roll of the Coal Board covers about 750,000 industrial workers and 40,000 non-industrial workers.

The four main levels of Coal Board organisation are Unit, Area, Division and National. The Unit is the actual point of operations, whether a colliery, coke oven plant or a similar major activity. The Area is regarded by the Board as the main management unit and is the point at which there is an Area General Manager responsible for all activities within the Area, with a staff covering nearly all aspects of the Board's work. There are about 50 Areas in the country and each is a large industrial organisation with a capital of the order of £10 million, employing from 10,000 to 20,000 people. The Areas are grouped into nine Divisions, each of which comprises a single

large coalfield or a number of smaller coalfields. The East Midlands Division comprises the coalfields of Nottinghamshire, North Derbyshire, South Derbyshire and Leicestershire; these last two form one Area and the first two have been split geographically to form five other Areas. In each Division the controlling and supervisory functions are exercised by a Divisional Board consisting of six full-time members—Chairman; Deputy Chairman; and Production, Marketing, Finance and Labour Directors. On some Boards there are part-time members also. The nine Divisional Boards are, of course, responsible to the National Board at Headquarters.

The Coal Board is usually portrayed in the Press and in public discussion as a highly centralised organisation. Perhaps a quick indication of the degree of centralisation in a concern is to be found in the proportion of non-industrial staff employed at the central headquarters. In the case of the Board this is about 3 per cent., which shows that the overwhelming part of the management of the industry and the provision of managerial and administrative services is carried out in the coalfields. Another test of centralisation is the extent to which the authority to approve capital investment schemes is retained at Headquarters. The Board have delegated to Divisions power to authorise any colliery scheme costing not more than £250,000, without limit to the number of schemes. Large concerns normally keep a tight control of capital investment and it would not be easy to find a parallel in industry elsewhere to the extent of delegation which the Board has adopted.

The Board differs from other big industrial concerns in not owning a relatively small number of large units, many of them doing quite different things. On the other hand, because of variations in physical conditions and for other reasons, operating circumstances and methods in the coal industry vary greatly. The prime influence in determining the Board's organisation is the Coal Industry Nationalisation Act, which set up a single central Board to take full responsibility for the industry and contained a number of other provisions which necessitated a limited measure of centralisation. Other factors which inevitably led to the central control of some activities and services are the organisation of mining trade unions on a national basis, the fact that coal from various coalfields is sold in common markets, although their production costs may vary widely, and the fact that compliance with the terms of the Act means that programmes of capital development must be settled centrally and, indeed, must receive the approval of the Government.

But the two factual examples I quoted earlier may enable you to accept with greater confidence my opinion that on the whole the Board's organisation is highly decentralised. The Board's policy is that the Area should be regarded as the main management unit and this is implemented in practice. This policy greatly influences thought about the nature and extent of common services and the points at which they should be provided. Moreover, it follows that there will be different practices in different parts of the Board's organisation and there will be no tidy picture of services, with the same patterns reproduced in all Divisions and Areas.

The coal industry was nationalised on a single date and thus the organisation was bound to be built on the existing colliery concerns, so that almost every introduction of a common service represented a challenge to something

already established. This is in contrast, for example, to recent large-scale developments in the field of atomic energy, which have all come into being as the result of decisions at the top and where the organisation from the beginning could be based on common services appropriate to the nature and scale of the operations. The change in the coal industry on 1st January, 1947, from about 800 separate concerns (most of them small) to a single unit, represented a vast change, the full effects of which cannot have been felt in so short a period as seven years ; by general standards, the Coal Board is a very young organisation.

Some Types of Common Services

It would be too complicated to attempt to deal with all the types of common services which require consideration in the case of a large industrial organisation such as the National Coal Board, and I have selected the following as providing sufficient examples of different kinds of services and illustrating the problems which arise :

- (a) Accounting ;
- (b) Legal ;
- (c) Organisation and Methods ;
- (d) Personnel ;
- (e) Purchasing and Stores ;
- (f) Central Workshops ;
- (g) Scientific ;
- (h) Transport ;
- (i) Production Techniques.

Accounting

The first service on the list is accounting, and in considering the level at which an accounting service should be established, there are usually two conflicting arguments. On the one hand, the most economical methods and machines can be used and the greatest savings obtained by centralisation, so that large numbers of transactions are dealt with at a single point. On the other hand, in the field of what is known as management accounting, where service to management is the dominant consideration, the advantage of attaching the accounting service to the local management will be obvious. The Coal Board has thought it right to give considerable weight to the latter point and to establish their main accounting service at Area level ; it is at this level that the main staff of financial and cost accountants are to be found and where the general accounts, including those relating to transactions with the outside world, are maintained. In most cases pay-rolls are dealt with at offices covering a smaller number of collieries than an Area and similarly stores accounting records may be maintained for smaller groups ; at the other extreme, there are some Divisions in which the whole of the sales accounting for the Division has been centralised at one point. But the general picture is that the Divisional accounting organisation serves only to aggregate the Area figures and to provide a general supervisory and advisory

service, apart from the maintenance of its own accounts. National Headquarters act similarly and also have special accounting functions. They maintain a common service comprising a small cell of expert organising accountants, whose advice on the best methods, systems and machines is available to all Divisions and Areas ; this is part of the Board's "organisation and methods" arrangements. Headquarters also have to take decisions about uniform accounting, but ordinarily insist on uniformity only in the classification of accounts and similar matters, giving freedom to the Divisions and Areas to decide their own methods and systems. Finally, the Board's accounts have to be submitted to the auditors, the Minister of Fuel and Power and Parliament.

You will gather that decisions about accounting services have been based on practical considerations and the general rule of concentrating the executive service at the Area level is broken where circumstances justify it. The Areas are, of course, big enough to have a sufficient concentration of accounting work to justify the use of machines, but it remains to be seen whether the new machines now being developed will require a greater concentration of work.

My own greatest doubt about our accounting service is whether we are providing an effective service to the colliery manager. The accounting concentration at Area level includes costing staff and, while they try to provide colliery managers with the information they require, it may be that a more effective "on the spot" service could bring advantages to management, at least at the larger collieries. In other words, is there too much "common service" and too little "direct service" ?

Legal

The provision of a legal service does not raise such difficult issues as some other services. Only small numbers of people are required and it has so far been thought sufficient to have legal services at Headquarters and in the Divisions. The Headquarters service carries out national work and usually conducts Divisional or Area cases which reach the national courts. It also provides a consultancy service. The decision to maintain legal services at Divisional, not Area, level is based on practical considerations mainly relating to the quantity of work involved and the numbers of staff required ; quality of staff is also important, since some Area work might require staff of high quality who would be wasted on much of the work.

Organisation and Methods

At the present time the Board have an organisation and methods unit only at Headquarters and this is available to serve on an advisory basis in any Division or Area. No Division has yet thought it necessary to set up its own organisation and methods section, although the Divisions are free to do so ; work on organisation and methods lines has been carried out in some Divisions and Areas without the formal establishment of a unit, by seconding staffs on temporary assignments.

The organising accountants' section already mentioned—although separately established—really constitutes part of the Board's O & M service. The two parts work closely together, often attacking a problem jointly.

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It is very probable, in view of the Board's vast administrative and clerical machine, that O & M work (in the broad sense) will develop considerably in the years to come.

Personnel

The Board's personnel services are organised in two parts—the Labour Department for industrial employees and the Establishments Department for non-industrial employees. The remarks which follow refer primarily to industrial workers. (At Headquarters only, the functions performed by the Labour Department elsewhere are divided between two departments—Labour Relations, dealing with wages and conditions of service, and Manpower and Welfare, dealing with recruitment, training and welfare.)

I have already mentioned that coal-mining trade unions are organised nationally and in fact the main union, the National Union of Mineworkers, attaches great importance to national negotiations and agreements, for which it fought for many years before nationalisation. This inevitably results in a measure of executive work by the personnel service at National Headquarters in matters affecting wages and conditions of service and there is similarly a measure of executive work by the service at Divisional and Area levels, while the services at all three levels are also advisory. But most wage issues are still dealt with at the pit, by the local management with or without advice from the Area Labour Department.

Most manpower and welfare questions are dealt with at the collieries, but various common services have to be provided. These include, for example, 70 training centres which train recruits for groups of collieries, and hostels to house recruits who cannot find other accommodation. Some educational facilities, e.g., courses for managers and senior officials, are provided as a national service.

Purchasing

We come next to the purchasing service, which is established at Area level, the general rule being that each Area purchases its own requirements. The main exception is imported timber, of which the coal industry uses a great deal; this was bought by the Government during the war and in the early post-war years and is now bought by the Board nationally, mining timber importers not having resumed their pre-war functions. There are some other foreign purchases of a limited number of such things as novel types of machines for developments, also dealt with at Headquarters, but apart from mining timber, over 99 per cent. of the Board's purchases of stores, etc., are made in the Areas.

Here is a most important matter on which reasonable people might well hold divergent views; there are often considerable savings to be made by central purchasing, but the Board have hitherto taken the view that because of their desire to establish complete management units at Area level and the fact that an Area is a big buyer likely to be able to buy advantageously, they should not seek to centralise buying. They do, however, encourage the negotiation centrally of suitable terms of purchase for particular articles, leaving it to Areas to buy on these terms if attractive to them. They have so laid down standard conditions of purchase for use throughout the industry.

This buying field is one in which there might be changes later, although I am not implying that alterations in the present policy are likely in the foreseeable future.

Problems closely associated with purchasing are those of the definition and coding of items purchased by means of what is usually known as a "stores vocabulary" and of standardisation. There are sections at Headquarters working on these immense tasks, but a great deal remains to be done.

Stores

The stores accommodation inherited by the Board at the vesting date was varied and in many cases unsatisfactory. There were very few examples of central stores serving a number of collieries. It is the Board's policy to develop central stores serving either the whole of an Area or a group of collieries within an Area. These central stores would hold most consumable materials, plant and spares other than those which are heavy or bulky and should therefore be delivered directly to and held at collieries. Central stores are normally erected alongside central workshops.

Progress towards the implementation of this policy has been rather slow and there remain many cases in which separate colliery stores are in use. There can be little doubt, however, that the adoption of central stores can bring substantial benefits, particularly for such items as plant spares.

Central Workshops

There is a great variety of repair work in the industry which can best be carried out at central workshops where skill and tools of the highest quality can be made available, but before nationalisation only a few of the larger companies had developed such workshops.

It is the Board's general policy to provide a central workshop in each Area; exceptionally two Areas may share a workshop. In addition to the extensive repair work to be carried out, other advantages of central workshops are that a limited amount of manufacturing work can be done both for special needs and as a useful check on manufacturers' prices, mobile squads can be available for emergency engineering jobs at collieries and training can be provided for colliery engineering craftsmen.

When the industry is fully provided with central workshops, which is far from being true at present, colliery workshops will deal only with day-to-day maintenance and running repairs.

Scientific

In scientific services we make a sharp distinction in the coal industry between what we call scientific *control*, by which we mean the continuous process of testing and controlling the industry's products and such things as mine airs and dust, and scientific *research*. The research services are centralised and controlled nationally; they are carried out by two central research establishments, one in Gloucestershire and one near London, and by extra-mural work by Universities and research associations of which the Board is a member. Scientific control, on the other hand, is organised on an Area basis, with only co-ordinating and advisory services at Divisional and Headquarters levels. There seems little doubt that these arrangements are sound and any material change in the general pattern is unlikely.

Attempts are being made to strengthen the links between production and research by the "adoption" by Areas of research projects, with which they keep closely in touch, providing any practical advice and assistance which may be useful. These attempts are designed to help to overcome the disadvantage of remoteness in a common service organised nationally. Two smaller parts of the Board's scientific services are also organised as national services. One is the Coal Survey, a geological service taken over from the Government which, although having a number of centres in the coalfields, is dually controlled from Headquarters. The second is the Field Investigation Group, which carries out operational research, and is attached to Headquarters.

Transport

In the field of transport, there are obvious geographical limitations on the provision of common services by one level to another; in practice the arrangements vary from Area to Area, some Areas allowing each unit to provide its own transport and others providing a transport service for the whole Area or for groups of collieries within it.

There is often considerable scope for savings when transport is organised as a common service, because of the wide range of road transport work within an Area. There are varied tasks such as the distribution of stores, the removal of dirt and the delivery of coal, coke and bricks; this range of tasks, some of them wholly within the Board's control, enables the available road transport to be used to great advantage.

Where the Board compete with commercial transport organisations, for example, in the delivery of coal to customers, they control the transport organisation on a commercial basis, crediting it with competitive transport rates and testing it by reference to profits and losses.

Divisions and Headquarters provide only advisory transport services, apart from the provision of transport for local needs, usually as a common service.

The Board are also concerned with other forms of transport, but their interest in sea transport is limited and internal railways and canal transport, while providing special problems, do not bring out features of general interest.

Production Techniques

Finally, I want to refer to services in production techniques. There are many aspects of coal-mining which call for the specialist—ventilation, explosives, underground transport, winding, coal preparation, etc. Their functions are mainly advisory and they may be employed at any level from the unit to Headquarters. For example, a single pit may require the service of a ventilation expert, although he will require to be strengthened by more advanced work and research at a higher level. On the other hand, the number and frequency of major problems in coal winding may require the services of only two or three experts for the whole country, in which case they will constitute a national service.

The significant feature of these services in production techniques is that they are so closely linked with the work of the direct line of production management. For example, the mining engineers who fill the posts of colliery managers, area production managers and so on would regard the fields I

have mentioned as within their province of mining engineering ; in contrast a mining engineer can hardly claim that accounts or law or purchasing are part of his specialised field. But in fact, the mining men at the collieries and in the Areas need the help and advice of experts in engineering and the like no less than those of, say, experts in the law.

It would be reasonable to expect special difficulties in instituting and ensuring smooth working of services in production techniques. This is confirmed by practical experience. The services are mainly advisory and they are in fields in which those served may regard themselves as skilled; exceptional tact and discretion are required to achieve success. The mining industry is slowly adapting itself to the proper employment of these specialists.

Current Developments and Trends

There is a slow but continuous expansion of common services in the Board's organisation, both in the provision of services to all departments at a particular level and in the development of Area services to collieries and other units. In my view the expansion will continue, as the heavy tasks before the industry (to achieve greater output, higher operational efficiency and the major reconstruction of the collieries) will call for the installation and use of more and more effective common services. We have by no means reached the limit.

I have said that in accounting we may tend to decentralise the costing service and to relate it more closely to unit managements. I have referred also to the expansion I expect in organisation and methods services.

Personnel services in the industry are at present rather limited. Traditionally, workmen and their union representatives have enjoyed direct access to the Colliery Manager and this is a practice which they are reluctant to alter. The Colliery Manager and his direct superiors in the line of command, all of them mining engineers, have been accustomed to dealing with personnel problems without the help of a specialised personnel service. It is my belief (which may not be shared by others in the industry) that in the long term we are likely to see not only the introduction of a vastly improved and strengthened personnel service in the industry, but also acceptance by the workmen that many of their problems should be handled by this service and that the change will benefit them as well as the Board. The coal industry is conservative in its outlook and this major change will not be easy to achieve.

I have made it clear that I consider that there is further scope for the development of road transport as a common service, subject, of course, to the inevitable geographical limitations.

The provision of central stores and central workshops must be extended and speeded up.

I have referred only briefly to educational services, to which the Board attach great importance. A Staff College is being set up—clearly work of this kind must be organised nationally as a common service to the whole organisation.

There should be more and better services in production techniques and they should command even greater confidence from those in the direct line of management.

Conclusion

What I have said confirms that the Board adopts the view I expressed earlier, that questions of common services should usually be determined on the merits of individual cases, without rigid principles or rules.

When common services are being introduced there may often be a conflict between those responsible for the services and the clients they are to serve. The client will often think he can better provide his own service. In large organisations this problem has to be resolved with patience and understanding. The Board usually lay down that the direct line of management must consult an advisory service, but is free to accept or reject the advice offered. On the other hand, many services (e.g., purchasing) must be used.

Common services often provide difficult problems of accountability. How can the efficiency of the service be assessed and those in charge held to account for their expenditure in relation to the value of their product? We must recognise that, because of divided responsibilities, common services may increase the difficulties of holding individuals firmly to account. We have seen that the benefits the services are seeking to provide are often in terms of quality of work rather than results which can be evaluated in money. Sometimes, as I suggested earlier, assessments of benefits may be made fairly simply, but in other cases, general management has to rely on sound judgment in taking a view about the service.

Similarly, in resolving conflicts which may arise in connection with common services, top management must seek to identify the merits of the particular issues against the general background of the effective operation of the organisation as a whole.

I am a believer in common services, but they should be kept within bounds and should be introduced or continued not solely because of arithmetical tests of numbers of staff or costs, but also by reference to the broader considerations of morale and other human factors which mean so much in sustaining vigour and initiative in administration, whether public or otherwise.

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Founded
1922

Incorporated
1923

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Secretary: George R. Drysdale, F.C.C.S., F.A.C.C.A.

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The Group Secretary's Day

A Job Analysis of Twelve H.M.C. Secretaries

This research paper is made available by courtesy of the Acton Society Trust. It is based on research work carried out by Miss S. N. Joy and T. E. Chester.

I. INTRODUCTION

ONE line of criticism of the administrative set-up inaugurated by the National Health Service centres on the job of the Group Secretary. Frequently, it is said—and by the Group Secretary himself—he is so borne down by the weight of paper that descends upon him from above, so immured in Management Committees, House Committees, National Hospital Service Reserve Committees, their preparation and their aftermath, that he becomes of necessity divorced from hospital life.¹ He is seen as a bureaucratic super-numerary, imposed upon the hospitals and entirely disconnected from the “real” work which goes on in them.

Thus runs the general accusation. What are the facts? In order to elucidate at least some of these, the Acton Society Trust decided to undertake a factual survey of how Group Secretaries spend their time on their job, and to this end they invited twelve Group Secretaries in England, Scotland and Wales to collaborate by keeping a four weeks' diary of their activities. Also, it was suggested they should have their correspondence analysed over the same period.

It was realised at the outset that since, counting Scotland, there are nearly 500 Management Committees, the evidence of only twelve Group Secretaries could in no way be held to constitute a statistically representative sample, and this point cannot be emphasised too strongly. The results of the investigation, therefore, are provided simply for what they may be worth, as a preliminary survey strictly limited in extent, which none the less is believed will hold some interest for those engaged in the administration of the Hospital Service and perhaps in other fields.

II. THE ENQUIRY

(1) *The Sample*

Speaking at the second conference on the health services organised in October, 1953, by the Royal Institute of Public Administration, Mr. P. H. Constable, Secretary and House Governor of St. George's Hospital, said: “Someone has said that the best thing would be to job-analyse people like myself and find out why I do not spend more time in the hospital, instead of attending committees and conferences. If anyone cares to start, I offer myself.”²

¹See “On Getting Around the Hospital” by L. W. J. Ower, *The Hospital*, February, 1954, p. 89-90.

²Report of the discussions at the Second Conference on the Health Services, *Making the Most of Present Resources*, October, 1953, p. 34.

This suggestion was taken up by the Acton Society, in principle at least, for it was appreciated that to accept Mr. Constable's invitation to "start" on him, however interesting it might be, would not yield results capable of general application since the demands on his time by bodies outside his hospital are abnormally heavy.

Accordingly, twelve Group Secretaries (Mr. Constable is the House Governor of a teaching hospital which, of course, falls into a different category) were approached by the Society. All twelve, in spite of the heavy calls upon their time, did in fact keep diaries of their work over the four-week period from 16th November to 13th December, 1953. (However, one of them kept his in such a form, as explained later, that it has been possible to use it only to a limited extent.) The twelve officers were selected as being among those most likely to respond: they come from all over England, Scotland and Wales, and between them administer a wide variety of general and mixed groups. Mental Hospital groups, however, were purposely excluded as being not comparable for the purpose in hand, since many of them comprise one large institution only, and the element of "looking after" a number of physically separate units does not, therefore, usually enter into a mental H.M.C. secretary's duties. Even the jobs of the secretaries of general and mixed groups are, of course, by no means comparable in all respects. In order, therefore, that the accompanying tables may be read with some necessary reservations being taken into account, a short description of each group secretary is provided in Chart I on page 287 opposite.

(2) *The Form of the Enquiry*

The method followed was based on a technique developed by Professor Sune Carlson, Professor of Business Administration in the Stockholm School of Economics, in his book *Executive Behaviour*—a study of the work load and the working methods of Managing Directors—published by Stromberg's, Stockholm, 1951. Professor Carlson refers also to studies along similar lines undertaken by Lasswell and Glaser in 1947.³

In this case, the form of the enquiry was devised with the object of ascertaining four main results:

- (1) The amount of time devoted by each secretary to a range of specified activities.
- (2) The physical location of the Group Secretary during his working day.
- (3) In the case of the officers who hold the post of Hospital Secretary as well as Group Secretary, to determine, if possible, how much working time is devoted to the advance of the unit hospital, and likewise to what extent the secretary is actually to be found on the hospital premises.⁴
- (4) The extent and direction of the correspondence he conducts.

³Harold D. Lasswell, "Self-Observation; Recording the Focus of Attention," *The Analysis of Political Behaviour; An Empirical Approach*, London, 1947, pp. 279-286.

Comstock Glaser, *Administrative Procedure*, Washington 1947, pp. 32-36.

⁴See H.M.C. (48) 2 and (48) 16.

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CHART I

Group Secretaries

Group Secretary	Other Functions Performed	Whether or no Hospital Secretary	Type of Group	No. of Beds in Group	No. of Bedded Units in Group*	Location of Group Office
G.S.1	Supplies	Yes	Mixed rural	Over 1,500	C	Near Hospital
G.S.2	—	Yes	Mixed urban	Over 1,500	C	Inside Hospital
G.S.3	—	No	General suburban	Over 1,500	A	Inside Hospital
G.S.4	—	No	Mixed Metropolitan	Over 1,000	A	Near Hospital
G.S.5	Fin. & Supplies	Yes	Mixed (Scottish)	Over 1,000	C	Inside Hospital
G.S.6	Finance	No	General (Scottish)	Over 1,000	A	In town
G.S.7	Supplies	No	Mixed rural (Wales)	Over 1,000	C	Near Hospital
G.S.8	Supplies	Yes	Mixed rural	Over 1,000	A	Inside Hospital
G.S.9	Fin. & Supplies	No	Mixed (Scottish)	Over 500	A	In town
G.S.10	Supplies	Yes	Mixed	Over 500	B	Inside Hospital
G.S.11	Supplies	No	Mixed rural	Over 500	A	Near Hospital
G.S.12	Fin. & Supplies	No	General rural	Under 500	A	Inside Hospital

*A equals 5 to 10 units. B equals 10 to 15 units. C is over 15 units.

(b) *Diary of Activities*

In order to establish these data, each collaborator was provided with a specimen sheet for a day's diary, and was asked to enter up on similar sheets a diary of his activities for the four-week period under review, in accordance with the following key :

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I. Committee Work

Please mark as follows :

- CW (A) Hospital Management Committee, Advisory and sub-committees, House Committees, Joint Consultative Committees.
- CW (B) Other Committees.
- CW (C) Time spent with Chairman and members of H.M.C. Approving agenda and minutes, briefing Chairman, etc.

II. Discussion (including phone calls and interviews)

Please mark as follows :

- DISC (A) Discussion with the central staff of the Hospital Management Committee.
- DISC (B) Discussions with the hospital staff: doctors, matrons, hospital secretaries, etc.
- DISC (C) Others (including Regional Hospital Board and Ministries).

III. Paper Work

Please mark as follows :

- ADM Reading, writing or dictating administrative documents and correspondence.

IV. Time Spent in Hospitals

- V Time spent in hospitals.

(b) Analysis of Correspondence

Each secretary was also asked to analyse, or cause to be analysed, his correspondence for the same period under the following heads :

- (a) With Ministry of Health or Department of Health.
- (b) With Regional Hospital Board.
- (c) Internal Hospital Management Committee or Board of Management.
- (d) With other branches of the Health Service.
- (e) Others.

A thirteenth Group Secretary, who had been unable to keep a diary, collaborated over the correspondence analysis.

III. THE RESULTS

(1) Working Time

The result of the first part of the enquiry is given in Table A-1, which gives the total time in hours devoted by each group secretary to the activities specified in the key. Table A-2 provides the same data in percentage form. The Tables are set out in descending size order of group.

Total

G.S.

1

2

3

4

5

6

7

8

9

10

11

12

Aver

Tim

hrs.

4 w

Aver

Tim

hrs.

week

G.S.

1

2

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TABLE A-1

Total Time, in Hours, Devoted to Specified Activities During Period 16th November to 13th December, 1953

	CWA	CWB	CWC	Total CW	Disc. A	Disc. B	Disc. C	Total Disc.	Total Adm.	Total V	Total Other	Total Working Time
G.S.												
1	15.25	3.75	15.25	34.25	35	33.75	22	90.75	44	—	5.75	174.5
2	12	19.5	19.5	51	19.5	20	6	46	39	23	25	184
3	13.5	—	22.5	36	11	8.5	13.5	33	43.5	48	14	188.5
4	19.5	14	0.5	34	18	26	3	47	63	11.5	8.5	164
5	6	13.5	6.5	26	6.5	31.5	6	44	91.5	—	28	189.5
6	16	9.5	7	32.5	5.5	8	9	22.5	108	11	8	182
7	12.5	4	2	18.25	1	42.5	11.5	55	84	2.5	—	159.75
8	7.5	14.5	5	27	13.5	25	5	43.5	78.5	13.5	13.5	176
9	—	—	—	—	—	—	—	—	—	—	—	—
10	12	24	6	42	18	36.5	28.5	83	76	12	4	217
11	5	7	14	26	22.5	75	29	126.5	20	12.5	—	185
12	22	8.5	7.25	38.75	4.25	24.25	28	56.5	88.75	11.25	—	195.5
Average Time in hrs. per 4 wks.	12.8	10.9	9.6	33.25	14.1	30	14.7	58.9	67	13.2	9.7	183.25
Average Time in hrs. per week	3.2	2.7	2.4	8.31	3.5	7.5	3.7	14.7	17	3.3	2.4	45.8

TABLE A-2

Percentage of Time Devoted to Specified Activities During Period

	CWA	CWB	CWC	Total CW	Disc. A	Disc. B	Disc. C	Total Disc.	Total Adm.	Total V	Total Other
G.S.											
1	8.8	2.1	8.8	19.7	20.0	19.3	12.6	51.9	25.2	—	3.3
2	6.5	10.6	10.6	27.7	10.6	10.7	3.5	24.8	21.2	12.5	13.6

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TABLE A-2 (continued)

	CWA	CWB	CWC	Total CW	Disc. A	Disc. B	Disc. C	Total Disc.	Total Adm.	Total V	Total Other
G.S. 3	7.3	—	11.9	19.2	5.8	4.5	7.3	17.6	23.0	25.4	7.6
4	11.8	8.5	0.3	20.6	10.9	15.7	1.7	28.3	38.2	6.9	6.9
5	3.1	7.1	3.7	13.9	3.7	16.6	3.2	23.5	48.2	—	14.7
6	8.7	5.2	3.6	17.5	3.0	4.6	4.9	12.5	59.3	6.0	4.4
7	7.6	2.5	1.3	11.4	0.7	26.6	7.2	34.5	52.5	1.6	—
8	4.3	8.3	2.8	15.4	7.7	14.2	3.8	25.7	44.6	7.6	7.6
9	—	—	—	—	—	—	—	—	—	—	—
10	5.5	11.3	2.7	19.3	8.3	17.2	13.1	38.6	35.0	5.5	1.8
11	2.6	3.7	7.6	13.9	12.2	40.6	15.6	68.4	10.8	6.8	—
12	11.2	4.7	3.7	19.6	2.2	12.4	14.3	28.9	45.3	5.7	—
Average Percentage	7.0%	5.8%	5.2%	18%	7.7%	16.4%	8.0%	32.1%	36.5%	7.2%	7.2%

(A) General Notes

(a) *Travelling Time.* Some secretaries marked this separately; others not. Still others did not include travelling time at all. In these circumstances, time so spent has been included in *all* cases for the sake of uniformity in the activity immediately preceding or following, though it is recognised that a more accurate computation would have been achieved had it been possible to isolate travelling time completely. This applies particularly to rural areas.

(b) *"Disc. B" and "V" Columns.* "Disc. B" is defined in the key as "Discussion with the hospital staff, doctors, matrons, hospital secretaries, etc."; and "V" or visiting as "Time spent in hospitals." A number of secretaries, understandably, found it impossible to distinguish between these two categories, and marked their diaries with both signs. Again, for the sake of uniformity, periods so marked have been counted as "Disc. B" (this applies particularly in the case of G.S.11), but to obtain a truer picture, columns "Disc. B" and "V" should be read to a considerable extent in conjunction. None the less, these two columns should not be interpreted as being identical, since some "Disc. B" discussions took place not inside hospitals but in group offices and elsewhere.

(c) *The "Other" Column.* This column embraces a wide range of official and semi-official activities, not specified in the original diary. These include time spent on such activities as:

1. A three-day absence on hospital business.
2. Administrative and clerical staff team review work.

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3. I.H.A. meetings.
4. Lecturing.
5. Attending exhibitions.
6. Attending funerals.
7. Attending magistrates' courts.

In these cases, in the absence of more specific information, a day has been arbitrarily counted as eight hours, and an afternoon or evening as four hours.

(d) *Total Working Time.* This has been calculated to include all the above, since this represents calls on the Group Secretary's time, which arise by reason of the fact that he holds the position he does. It includes also all the recorded periods of evening and Sunday work undertaken at home, though Group Secretaries 3, 4 and 6 specifically exclude work done at home from their diaries, and it is probable that others may have done the same. (G.S.3 writes: "It is rare that I ever read an official document in the office, for the simple reason that I have no uninterrupted time to do so." G.S.4 estimates his monthly unrecorded homework to amount to 30/40 hours.)

(B) Particular Notes

(a) *"C.W.B." Column.* G.S.2 attended a Whitley Council National Appeals Committee at the Ministry of Health during the period under review, which may account for his unusually large total under this head.

G.S.10 spent a whole day, plus travelling time, at the Ministry of Health, in order to attend a central committee during the period under review.

(b) *"C.W.C." Column.* G.S.3 writes of this: "Includes discussions with my own officers, in regard to the business coming forward on the agenda, and the action taken subsequently, and this accounts for the small time spent under discussion 'A'."

(c) *Total "Disc." and "Adm." Columns.* G.S.9 kept a diary, but wrote: "It is very difficult to give specific times for ordinary duties such as discussions, telephone calls, interviews, etc., and for this reason I have omitted the times spent on such duties." This Secretary's contribution to this section of the analysis has therefore regretfully had to be omitted.

(d) *"Disc. B" Column.* G.S.11 did, in fact, spend the greater part of the time entered up under this column inside the constituent hospitals of the group, and the time should therefore be envisaged equally as "V" time. G.S.1 and G.S.6 both point out that time entered up in their diaries on "Disc B and C" could equally be envisaged as "V" time.

(e) *"Adm." Column.* G.S.10 is secretary of a Group Secretaries' Association, and of the local branch of the I.H.A. When undertaking to keep his diary, he entered the caveat that these two forms of semi-official activity might obtrude into the diary. It would appear that they have in fact done so, and account for his heavy "Adm." load and weekend work.

(2) Location

The result of the second part of the enquiry is given in Table B, which shows the physical location of the group secretary during his working hours. As in the case of the A Tables, Table B gives the result of the analysis in terms of hours and on a percentage basis.

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TABLE B
Physical Location of Group Secretary—Time Spent

	Group Office	Unit Hospital (if any)	Other Hospitals in Group	Elsewhere	Total Working Time
G.S. 1	116 (66%)	5 (3%)	33 (19%)	21 (12%)	175
2	102 (55%)		35 (19%)	47 (26%)	184
3	126.5 (67%)	—	48 (26%)	14 (8%)	188.5
4	109.5 (67%)		39 (24%)	15.5 (9%)	164
5	132.5 (70%)		22 (12%)	35 (18%)	189.5
6	163 (90%)	—	11 (6%)	8 (4%)	182
7	108 (68%)		51.75 (32%)	—	159.75
8	148.5 (83.5%)		4.5 (2.5%)	25 (14%)	178
9	152 (99%)	—	1.5 (1%)	—	153.5
10	116 (53%)	53.5 (24%)	21 (9%)	26.5 (12%)	217
11	86 (46%)	—	79 (43%)	20 (11%)	185
12	126.25 (65%)		43 (22%)	25.75 (13%)	195
Average, in hrs. per 4 weeks ...	128.7		32.4	19.8	180.9
Average, in hrs. per week	32.2		8.1	4.9	45.2
Average percentage of total time spent ...	71%		18%	11%	

(a) Table B includes G.S.9, thus bringing the total of diaries analysed in this section to twelve.

(b) "Time Spent in Unit Hospital" Column. One of the objects of this section of the analysis was to determine the amount of time spent by a Group Secretary, who was also a Hospital Secretary, inside his hospital. This, however, has been achieved only to a limited extent. Of the five secretaries to whom this applies, three (Nos. 2, 5 and 8) have their offices inside their unit hospitals, and consequently find it impossible to separate the time spent in the office from that spent about the rest of the hospital. (But see below for the distinctions drawn by G.S.8 between his group and Hospital Duties.) The other two (G.S.1 and G.S.10) made the attempt to distinguish these times, and on the face of it, G.S.10 would appear to have spent ten times as much time in his hospital as did No. 1.

(c) G.S.6 spent unusually much time in his office during the period under review (see Note to "V" column on page 290).

(3) Three Analyses of Composite Offices

The results for the four weeks were as follows :

General Adm.	=	57½ hrs.	=	64.7%	} per 4 weeks
Adm. (Supplies)	=	8¾ „	=	9.9%	
Adm. (Finance)	=	22½ „	=	25.4%	

(ii) *Group Secretary, Hospital Secretary and Supplies Officer*

(iii) *Scottish Secretary and Treasurer*

91½ hrs.

(4) Correspondence

Twelve secretaries recorded their outgoing correspondence, and six of these, in addition, kept track also of their incoming. The results of the analyses are given in Tables C-1, C-2 and C-3. C-3 gives a more detailed break-

TABLE C-1
Outgoing Correspondence (Totals and Percentages of Letters Sent)

	Ministry of Health*	Regional Boards	Internal HMC†	Other Branches of Health Service	Others	Total
G.S. 1	22 (2.7%)	59 (7.6%)	399 (51.6%)	15 (1.8%)	278 (35.9%)	773
2	20 (1.7%)	61 (4.8%)	770 (61.3%)	19 (1.5%)	385 (30.3%)	1,255
3	6 (2.2%)	20 (7.4%)	126 (47.0%)	13 (4.7%)	103 (38.4%)	268

* Or in Scotland Department of Health. † Or in Scotland Board of Management.

PUBLIC ADMINISTRATION

TABLE C-1 (continued)

	Ministry of Health*	Regional Boards	Internal HMC†	Other Branches of Health Service	Others	Total
G.S. 4	7 (1.6%)	34 (8.4%)	239 (57.0%)	65 (15.7%)	74 (17.7%)	419
5	—	—	—	—	—	—
6	—	15 (7.0%)	71 (33.2%)	4 (1.8%)	124 (57.8%)	214
7	3 (1.8%)	93 (9.6%)	184 (44.6%)	49 (6.1%)	61 (37.8%)	390
8	8 (.8%)	41 (4.1%)	282 (28.2%)	90 (9.0%)	579 (57.9%)	1,000
9	5 (4.4%)	18 (15.8%)	22 (19.3%)	3 (2.8%)	66 (57.8%)	114
10	4 (2.1%)	26 (13.4%)	77 (39.7%)	5 (2.6%)	82 (42.4%)	194
11	7 (2.4%)	20 (6.8%)	139 (47.0%)	26 (8.7%)	103 (34.9%)	295
12	3 (.5%)	44 (6.8%)	372 (58.7%)	50 (7.8%)	164 (25.8%)	633
13	9 (1.5%)	44 (7.3%)	234 (38.8%)	17 (2.8%)	299 (49.6%)	603
Average per 4 weeks ...	8	40	243	30	193	513
Average per week	2	10	61	7	48	128
Average percen- tage	1.8%	8.2%	43.9%	5.4%	40.5%	

*Or in Scotland Department of Health.

†Or in Scotland Board of Management.

TABLE C-2

Incoming Correspondence (Totals and Percentages of Letters Received)

	Ministry of Health	Regional Boards	Internal HMC	Other Branches of Health Service	Others	Total
G.S. 2	31 (6.4%)	67 (13.7%)	222 (45.8%)	40 (8.3%)	125	485
3	10 (2.8%)	71 (20.1%)	140 (39.7%)	44 (12.5%)	88	353
4	17 (2.6%)	84 (12.7%)	371 (56.0%)	102 (15.4%)	88	662

THE GROUP SECRETARY'S DAY

TABLE C-2 (continued)

	Ministry of Health	Regional Boards	Internal HMC	Other Branches of Health Service	% Others	Total
G.S. 8	9 (1.2%)	55 (7.2%)	219 (28.7%)	36 (4.7%)	439	758
11	18 (2.8%)	60 (9.9%)	229 (37.8%)	43 (7.1%)	258	608
13	24 (4.0%)	80 (13.4%)	166 (27.8%)	41 (6.9%)	287	598
Total average	18 (3.3%)	69 (12.8%)	224 (39.3%)	51 (9.1%)	214	577

TABLE C-3

Group Secretary 2. Analysis of Correspondence 16th November to 12th December, 1953, Inclusive

	Incoming (except routine replies and circulars)	Outgoing		
		Individual letters (copies not counted)*	Carboned letters (4 copies or more)	Stencilled letters and circulars
1. Ministry of Health and other Minis- tries ...	31	18	—	2
2. Regional Board ...	67	54	1	6
3. Internal H.M.C.—				
(a) Medical ...	50	71	35	159
(b) Lay ...	149	170	110	10
(c) Committee Members	23	15	66	134
4. Other branches of Health Service ...	40	19	—	—
5. Others ...	125	81	6	298
	485	428	218	609

*I.e., copies of letters sent for information to a second person, etc.

down undertaken by G.S.2 (who, according to the figures, had the heaviest correspondence of the twelve secretaries).

When the results were first received and compared, it became evident

that further enquiry was needed in order to establish to what extent these widely divergent figures were in fact comparable.

Further investigation elicited :

(a) That in ten cases out of twelve the figures relate to correspondence signed by the Group Secretary himself. (Two say they have signed 90 per cent. of their correspondence, and two more that they have signed the majority of it and that their deputy has signed the rest.) G.S.6 points out that a great deal of routine outgoing correspondence does not pass through his hands at all, but is done by the Assistant Secretary and the Administrative Assistant.

(b) That in seven cases roneoed circulars have *not* been included (G.S. 3, 4, 6, 8, 9, 12, 18) ; G.S.1 replies that in the main his correspondence is only individual correspondence ; in the other four cases (Group Secretaries 2, 7, 10, and 11) roneoed circulars *are* included. G.S.2 provides a break-down (see Table C-3) which shows that 609 out of his total of 1,255 letters are in fact roneoed circulars.

(c) The other point which seemed to be of interest was to establish in which column letters to General Practitioners had been counted, for the column "Other Branches of the Health Service," in which to be technically correct the G.P.s should have been shown, looked very thin. The replies showed that in fact G.S.2, 3, 6, 9, 11, and 12 had entered up such correspondence under "Other" (the miscellaneous heading) instead of under "Other Branches of the Health Service." In their cases, therefore, columns No. 4 should be correspondingly increased and No. 5 correspondingly decreased. G.S.3 wrote : "The extent to which the amount of correspondence can be misleading is illustrated by the fact that we write to all our G.P.s from time to time and on each occasion it entails 260 letters. During the four weeks under review we did not write at any time, whereas in another month we might have had occasion to write twice."

IV. INTERPRETATION OF RESULTS

(1) *Committee Work*

The average Group Secretary is seen to spend 8.3 hours, or 18 per cent. of his time on work claimed as CWA, CWB and CWC, that is to say : H.M.C. Committees, House Committees and their Sub-Committees ; Regional Board, Central, or other outside committees ; or briefing his Chairman, or working on the minutes, agenda or other paper work directly connected with these committees. This is equivalent to just over one working day a week, if the average working week is taken at something over 5½ days or 45.8 hours. The CWA average, e.g., the time spent by a Group Secretary in his own group committees, is only 3.2 hours per week, or 6.9 per cent. of his time.

The figures reveal a wide disparity in committee practice as between the Groups. One Group Secretary (of the second smallest Group) spends as much as 22 hours per four weeks, or an average of 5½ hours per week, in H.M.C. Committees. Three others have matters so arranged that an average of less than two hours per week is spent in this way.

With regard to CWB (other committees), the spread is even more extensive, ranging from 24 and 19.5 hours in the four weeks (and as remarked above, accounted for by Appeals, Whitley Committees, and other centrally organised committees) down to none at all. Incidentally, it may be remarked that the CWB total is one of those which will have been swelled by the inclusion of travelling time.

The CWC column (time spent with committee members and on committee work) is obviously an activity which on occasion it is difficult to estimate with precision, and to distinguish from some of the "Disc." categories. The wide disparity revealed here, therefore, is probably less significant than that occurring in the preceding two columns.

Accusations to the effect that hospital administrators are overloaded with Committee work would not appear to be borne out by the above figures. "Too much" is of course a relative term, but an average of just on six hours per week spent in committee, with an additional two hours of preparation and arrangements connected therewith, does not seem as high as the critics and, indeed, some secretaries themselves suggest. The above figures, of course, refer to the total time spent; to get a picture of the derangement caused to a Group Secretary's week, it would be necessary to include an analysis showing the *number* of committees he attends on an average. Also, if committees are inconveniently placed in the middle of a working day, they tend to have the effect of breaking up his effective working time.

(2) "Disc." Time

Periods of work entered under the headings Disc. A, B and C are evidently some of the hardest of classification. Even the title "Discussion" is inclined to mislead, since it evokes too easily a picture of leisured conversation, which in most instances is very much the reverse of what actually occurs. Perhaps "Discussion" in the sense in which it is used here may best be defined in negative terms as: with "V" time, comprising all that time *not* spent on "committee clerk" work, as shown in columns CW and ADM. It is, in fact—and this is especially true of "Disc. B" or time spent in discussion with hospital doctors, matrons and hospital staff—the time when the Group Secretary is able by the exercise of his personal influence, to clothe the bare bones of administrative structure with the flesh and blood of face-to-face relationships.

Taking the total "discussion" time, an average of nearly 15 hours per week, or 32 per cent., of the time of the Group Secretary is spent in this way. If the interpretation of "discussion" time given above be accepted, it may be regarded as gratifying that Group Secretaries should spend one-third of their time on this somewhat intangible but highly important aspect of their work.

The disparity in the time occupied by "discussion" varies from 68 per cent. of the working time of the secretary of a scattered country group to only 12 per cent. in the case of a Scottish Secretary and Treasurer. In his connection, however, it must be appreciated that the duties performed by a Scottish Secretary and Treasurer vary considerably from those performed by an English Group Secretary. In particular, he is invariably the senior

officer responsible for finance and supplies as well as the general administration of the Group. Also the presence of a Group Medical Superintendent with administrative functions influences the Group Secretary's responsibility for a certain amount of day-to-day hospital business, and accentuates his clerical and financial responsibilities. It is probably due to this that some at least of the "Disc." done by an English Group Secretary would fall within the scope of a Scottish Group Medical Superintendent.

Another point to be mentioned in this connection is that usually, though not invariably, the group offices of Scottish Boards of Management are located in the town, often at a considerable distance from the Board's hospitals.

(3) "Adm." Time

"Adm." time, or paper work, as was only to be expected, takes up the lion's share of a Group Secretary's time: an average of 37 per cent. The two Scottish secretaries, together with the secretary who has extra semi-official duties, bear the heaviest Adm. load (59, 48 and 52 per cent. of their time, respectively). At the other end of the scale, the same Group Secretary who has the abnormally high "Disc. B" and "V" time, has organised matters so that only five hours per week, or 10 per cent. of his total time, is spent on paper work.

(4) "V" Time

On the face of it, this figure is low—an average of 3.3 hours per week, or 7 per cent. of the total time—but it must again be repeated that it should be read in conjunction with the "Disc. B" results. Both the secretaries who have marked no "V" time at all have substantial "Disc. B" periods entered up in the third column of their diaries, that is, as time spent "at other hospitals in the Group," and since the office of G.S.5 is inside the hospital, practically all his activities, CW, Disc. and Adm., are performed "in hospitals." It must also be remembered that "V" time is to be defined as: "time spent in hospitals," and in some cases committees held in various hospitals in the Groups have been marked, quite correctly, CW and not "V" time. The above considerations make it appear probable that "V" time has been very considerably underestimated. In the form in which the diary was set out, it has proved in practice impossible to distinguish it from Discussion time.

(5) Analysis of Composite Offices

The three analyses on page 293 give an interesting insight into three combined jobs.

One interesting point is thrown up by these two additional tables; it looks as if two senior officers who are, among other matters, also fully responsible for supplies can keep their eyes on this matter with the expenditure of two and 8½ hours per month, leaving the rest of the work to a more junior colleague. In these circumstances there is perhaps some justification in the suggestion that the establishment of three chief officers in the English Boards, i.e., Secretary, Finance Officer and Supplies Officer, should be re-investigated. It is, of course, necessary to repeat that too much should not be made of the results of diaries kept by only two people.

THE GROUP SECRETARY'S DAY

(6) *Correspondence*

Twelve Group Secretaries write an average of 128 letters every week, or just over 21 a day if they come into the office six days a week as most of them do. An enormous range in the volume of correspondence is to be seen, from 114 in the case of a Scottish Secretary and Treasurer, to 1,255 in the case of a Secretary of a large English Group with many outside commitments (see Table C-1 on pages 293-4).

With regard to the direction of the correspondence, only 10 per cent. of this is concerned with the upper tiers of the administrative structure, that is to say, the Ministry of Health, Department of Health, and the Regional Hospital Boards. The largest quantity of letters, 43.9 per cent., are sent out to other hospitals in the group.

The second largest, 40.5 per cent., goes to "others," which embrace patients, public, trade unions, some general practitioners (see Table C-1 on pages 293-4), and all the multiplicity of other business connected with the administration of the group.

One interpretation of these figures would certainly seem to be that the bottleneck in paper work, if there is one, seems to be inside the Group rather than up the administrative ladder, and it is suggested that the spotlight of scrutiny may be turned here. It is probably true, of course, that the bulk of these letters to the other hospitals in the Group do in fact consist of instructions or advice or interpretations passed on from above.

THE COLLABORATORS' COMMENTS ON THE COMMENTARY

The concluding phase in the whole operation consisted in returning copies of the foregoing—text, tables and commentary—to each of the Group Secretaries who had collaborated and inviting their comments upon the results of the enquiry.

With the exception of a few corrections and amplifications (such as, for example, defining more closely the nature of the correspondence analysed), which it seemed clearer to incorporate in the earlier matter, these comments have been kept distinct from the Acton Society's own interpretation given in Section IV and are set out hereunder. It is perhaps proper to point out that the underlying note struck by all the secretaries is the need for caution in interpreting results obtained over so short a period as four weeks and with such a limited sample as twelve participants. It will be remembered that the Trust itself emphasised this point in the introduction to the paper and subscribes to it unreservedly.

Committee Work

G.S.2 In regard to the general accusation that a Group Secretary is weighed down by committees, etc., I do not think that conclusions to the contrary should necessarily be drawn from the brief period, over a small number of Secretaries, to which your memorandum, etc., refers. Personally, from my own observation, I am convinced that an excess of time is undoubtedly spent by most Group Secretaries, day in day out, over the course of a year. In your review the period

was too short to give an average result. In the case of —, the particular month during which the analysis was made did not have its normal number of committee meetings.

G.S.3 Although you qualify your observations on your "Job Analysis" because you have only taken twelve groups into account, there is one respect where the results may be misleading and that is in regard to committee work. Undoubtedly, as you know, there seem to be very many more committees in the management committees in the north of England and because of their narrower views on staff a lot more falls upon the Group Secretary and I think you would find that for these reasons a much greater amount of his time is devoted to this work.¹

G.S.4 I am certainly surprised with the result as I would certainly have said that I spent more than $8\frac{1}{2}$ hours a week on committees and committee work—perhaps it *seems* much longer.

G.S.5 It is interesting to note that the committee work does not reduce with the reduction in the size of a Group and there may be an argument here for regrouping on a wider basis.

G.S.7 I note the reference to the wide disparity of time spent in different Groups on committee work. It is pleasing to note that my Group is the lowest with $18\frac{1}{4}$ hours. I think the explanation, which is an interesting one, may appeal to you.

We have only three sub-committees which meet regularly, viz.:

Finance, Establishment and General Purposes—once monthly;

Buildings and Supplies—once monthly;

Nursing Advisory—once every three months.

These are the working committees and the business of the monthly meeting of the full Hospital Management Committee is normally confined to approving and confirming the work of the sub-committees. This has resulted in an appreciable reduction in the time taken to conduct the Hospital Management Committee business. Whilst a meeting took anything from 5-7 hours previously, it is now taking on an average about $2\frac{1}{2}$ hours.

G.S.11 Whilst I agree that they are not in any way conclusive in their evidence, they do give some idea of the work that is going on, but as with all sampling methods, there are bound to be some anomalies. For example, the particular month over which this exercise took place was not an average one so far as my work was concerned, and the work of this Group tends to vary considerably because of quarterly sub-committees: the amount of time spent on committee work is sometimes much greater, and that spent in the hospitals is correspondingly less.

¹Note by Acton Society Trust: It so happens that in the two committees in the North of England falling within the sample this observation does not hold good.

THE GROUP SECRETARY'S DAY

Disc. Time

- G.S.4 I am not at all sure that it is "gratifying" that secretaries spend so much of their time talking ("discussion"!). I sometimes wonder if there is not too much talk and too little done.

Analysis of Composite Offices

- G.S.4 The analysis of composite offices is most revealing ; it certainly supports the feeling that I have had for some time.

Correspondence

Several Group Secretaries point out the relationship between the volume of correspondence inside a Group and the extent to which the Group Secretary finds himself confined to his office on paper work. The comments on this section therefore tend to point to a consideration of the whole subject matter of the analysis, e.g., the amount of time that is spent, and the amount of time that should be spent, by Group Secretaries on committee and paper work and on more intangible and personal aspects of the administrative function.

- G.S.2 Whilst the small analysis may tend to show that only 7.2 per cent. of correspondence of the *Secretary* is with the upper tiers of the administrative structure, I feel it would be found that a much higher percentage of correspondence with such is conducted from the Finance Office, particularly with Whitley Council sections on wages, salaries and conditions of service, etc. I hope, therefore, that your paragraph will not be taken as inferring that the correspondence with the higher tiers is not heavy.

- G.S.3 I found the "Interpretation of Results" most interesting. As a matter of fact none of the results surprises me. It has always seemed to me from contact with my colleagues that Group Secretaries do not spend sufficient time in their hospitals and I think that this is partly linked with the other conclusion that a bottleneck in paper work exists in these Groups. Many points of difficulty are resolved when the Group Secretary goes round the hospitals and a good deal of correspondence is avoided. Also, partly owing to the predominance of former local authority officers, there is a very great tendency to put everything on record and to resort to memoranda. I have had a fairly persistent battle in returning correspondence to officers and telling them to settle it by telephone or other contact. Another reason why in some Groups there is a lot of internal correspondence is that there is too much centralisation so that very many matters pass through the Group Secretary's office which require correspondence to be duplicated and sent to the hospitals and for them to return the information to enable a reply to be made. If most appointments are left to the hospital secretary this saves a lot of correspondence with the Group.

- GS.4 There is no doubt that far too many letters are written to units within the Group, but it is difficult to restrain junior staff from writing.

G.S.12 With regard to my general comment, I think the report is of really great interest, and indeed of such importance that in my view a larger sample could be taken with advantage. I make the suggestion because there are wide discrepancies between the twelve Groups which have already taken part, and I think the final point in the report as to the need for investigation into internal correspondence should be further pursued. It might be interesting indeed to have an analysis as to what makes up this internal correspondence. It might also be useful, I should have thought, to have the comments of the Group Secretaries concerned as to the reasons for the different types of internal correspondence. In my own case, for example, I feel the need in these days (which I certainly did not before the Appointed Day) to put all instructions into writing, even if the matter may have been dealt with verbally in the first instance. This is because of the number of "outside" investigations by, for example, the Regional Board, the Management Committee, the Auditors, etc., which now seem to crop up, and also because the change in relationships between staffs so that decisions and actions are questioned in a way which is quite new, makes it necessary to have something in writing for future reference.

A very large proportion of this internal correspondence consists of "chase up" letters, probably caused by the need to ensure that the stream of instructions from above are, in fact, obeyed, and the information obtained for passing on to higher authorities. This point indicates one of the serious effects of the centralisation of the Hospital Service, in that it has removed much personal responsibility from Matrons and Administrative Officers in charge of hospitals, who previously acted on their own initiative without reference to anyone, but now have to act very much on instructions from some kind of higher authority, whether it be the Group Secretary himself, the Management Committee, the Regional Board or the Ministry.

VI. CONCLUSION

By way of conclusion it may be said that a few useful pointers do seem to have been thrown up by this exercise, limited though it is, and by the comments of the participants. But an analysis can only dissect, imperfectly, existing data. Of much greater value will be the discussion, which it is hoped will provoke, as to how a Group Secretary ought to aim at disposing of his time, taking into account the particular circumstances in each Group and the limitations that these may impose on his freedom to organise himself. But perhaps not too much should be made of these limiting factors. The general impression gained from a study of these twelve widely differing diaries is that, important as are external considerations such as size, geography, and the need to inform higher authority, certainly equally important as a factor shaping his working day is the individual conception each Group Secretary has of the job he is called upon to do.

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Economists in the Public Service

By R. L. MARRIS

Mr. Marris, Fellow of King's College, Cambridge, and a former member of the Central Economic Planning Staff of the Treasury, reviews the recent book of Dr. Edwin Nourse, the first Chairman of the U.S. Federal Government's Council of Economic Advisors.*

ON 8th February, 1946, after some fifteen months of legislative gestation which has been brilliantly analysed in another book,¹ the United States Congress passed what is known as the Employment Act. The Act specifically charged the Federal Government with responsibility to promote "maximum production, employment and purchasing power"; required the President to deliver an annual Economic Report to Congress; and provided for a Triumvirate, with staff, called the Council of Economic Advisors, as the central technical service required by these new economic responsibilities of government. The Act also set up a standing committee drawn from both Houses of Congress, to consider the Economic Report during the months following its delivery, and to discuss economic policy generally whenever it wished (known as the Joint Committee on the Economic Report).

The draft bill had been promoted by Senator James E. Murray, of Montana, with the intention of committing the government to a detailed system of (for want of another word) "Keynsian" anti-cyclical policies, and it contained what amounted to a Federal guarantee of the individual's right to employment. Needless to say, in its passage through Congress this original draft was radically modified under conservative pressure, but the Act as finally passed remains by any standards a surprisingly firm commitment on the Federal government. Moderate conservatives, also, inserted the provision for a Council of Economic Advisors because in their traditional jealousy of the power of the Executive they hoped to keep the government's central economic staff essentially professional and objective, and beyond the reach of the corrupting influence of the President.² The Council was to be responsible not just to the White House but to "Congress and the People" as well. Although in the event this constitutional objective was by no means fully achieved, there remains the interesting reflection that the body which became the U.S. equivalent of the British Economic Section of the Treasury (nee, "... of the Cabinet Office") or the Dutch *Centraal-plaatsbureau* came into being from political and constitutional circumstances which could not exist in countries whose systems of government follow the British tradition, and were almost the exact opposite of those which were operative in Holland. Thus we see that central bodies of government economic advisors have been born of very varying circumstances in different parts of the world, yet in their subsequent history they have shown great similarities.

It so happened that the first Chairman of the Council, Dr. Edwin G. Nourse (formerly Vice-President of the Brookings Institution), was a man

**Economics in the Public Service: the intimate story of the first six years of the Employment Act.* By Edwin G. Nourse (Harcourt Brace, New York), 1953. Pp. 460, plus appendices. \$6.

of a strength of character such as impelled him, after retiring in 1949 at the age of 66, to publish within a few years a book of some 500 pages describing and reflecting upon his experiences. Necessarily the book is strongly personal and subjective, but so frankly so as to appear if anything an asset rather than a liability. Indeed, the general frankness and "intimacy" of this book throughout will seem shattering to British readers, accustomed as they are to the influence of the Official Secrets Act as well as a powerful tradition of voluntary confidence. Confidential exchanges with the President, skirmishes with other departments, constant friction within the Council and minor administrative irritations are all copiously described and documented. The result is, in effect, a major source-book for the systematic study of the increasingly important question of the relations in government between economists, administrators and politicians. Washington's lack of a tradition of official secrecy in civil government, however demoralising to the good conduct of public business, has, it seems, some compensating advantages.³

The author has also included an extended discussion of the philosophy of the guided economy and the role of the social scientist in government. Here, with respect, he is less successful (several extremely useful historical chapters excepted) if only because he is in the difficult position of a conservative who sincerely believes that government should take responsibility for "maximum production, employment and purchasing power," but seems to dislike a high proportion of the suggestions which have been made for doing anything about it. He places great emphasis on voluntary efforts and wise policies from business and labour as a means of stabilising effective demand and prices; and he appears to regard the budget deficit as a measure of last resort for a severe depression. For example, in 1946, arguing for a bigger budget surplus than the President proposed, he objected that "in the event of even a moderate recession in 1947 [the proposed level of expenditure] would create a very real possibility of a deficit"! However, Dr. Nourse was much quicker than his colleagues or the President to appreciate the deflationary omens in the winter of 1948-49—the President continued to sound trumpets in the battle against inflation right into the spring. It must be said that much of this disagreement was politically motivated: the President and Mr. Keyserling wanted to use inflation as a justification for the introduction of a little *dirigisme*, while Dr. Nourse was rationalising in the opposite direction. By mid-year events had resolved the matter and the President sent Congress a mid-year Report, which asked for the passage of an impressive list of measures designed to raise the level of national demand.

The source material—i.e., the description of goings-on within and without the Council—clearly divides into two types: that which relates primarily to subjects peculiar to the political system of the United States (albeit with considerable indirect relevance to cognate questions in other countries) and that which illustrates directly certain problems which appear to be universal to government economic advisory offices.

Relations Between the Council and Congress

A single topic dominates type one: the relations between the Council and Congress. The Congressional Joint Committee—a body which had its

own professional staff and issued reports of considerable interest and technical detail—naturally expected the members of the Council to testify before it in the same manner as other executive officials, and to be cross-examined about economic policy. Dr. Nourse had always intended the Council and its staff to function in the Whitehall fashion (see also his carefully drafted letter of acceptance of appointment, p. 106), giving their advice to the President and the President only, entirely anonymously, leaving it to him to decide whether to take that advice and reserving to themselves the right to keep private any personal disapproval of his final decision. His colleagues, on the other hand, particularly Leon Keyserling, were only too anxious to testify before Congress and blamed Nourse's "stubborn" attitude (he consistently refused to appear, even after his colleagues had done so) for a series of congressional cuts in the Council's appropriation. The discerning reader can see that part of the reason for this dispute, also, was personal: Dr. Nourse knew that he would often find it extremely embarrassing to have to defend the President's policies, while Keyserling expected to be able to do so with sincerity and enthusiasm, having in many cases himself inserted them through the back door of the White House. The principle raised is fundamental nevertheless. It is illustrated in several other issues raised in the book, notably Dr. Nourse's insistent opposition to the plan, which eventually became standard, of separating the Council's technical report to the President from the latter's formal policy report to Congress. Nearly everybody was against Dr. Nourse over this, including informed outside opinion.

The idea that the technical advice of economists should be rigidly separated from the economic value judgments of politicians is generally familiar; what is interesting to non-Americans is this American attempt to exploit the peculiarities of their constitutional system to develop that idea into a formal institutional structure involving a further separation of functions: Legislative, Executive, Judiciary and now Economic Advisors. In the Statute, as it finally emerged, the Council's exact constitutional position was left ambiguous and after 1948 the whole organisation was often under fire from conservative opinion for failing to show sufficient independence. Actually, of course, such critics were not so much assuming that the views of the independent economists would be devoid of political implications, as that the implications would confound the President's Fair Deal policies. And this demonstrates the fallacy of their position. They were claiming, in effect, that the Council should, by implication or even overtly, recommend concrete political policies, yet based on a process of "pure" economic ratiocination, which we know to be impossible.

Could one consider (not, of course, in countries with our type of constitution) practical application of the logically correct arrangement: a body of constitutionally independent economists who would *receive* from the political government sets of value-judgment directives and return a supposedly dispassionate description of the technical requirements for their implementation? Such objectivity is generally thought to be unattainable because of the weakness of human nature and the enormous scope for "cheating" in economic analysis, although it is conceivable that things might be better if the economists were formally charged under the constitution with a solemn duty of objectivity. Wild dreams? Doubtless, but they serve to emphasise

that the British system is the most ambiguous of all ; nobody knows where the anonymous, faithful, non-political official of Whitehall is supposed to stand ; to what extent he does, or should, insert value-judgments, overt or concealed, in the economic advice he gives to Ministers. The more well-known alternative—to employ only economists who happen to share the value-judgment of the politicians in office—seems eventually to have been adopted in Washington. Dr. Nourse would have liked the Councillors to be able to serve any Administration, in the manner of British Permanent Secretaries, but on the arrival of the Republicans in 1952 the whole Council—now admittedly very strongly Democratic in character—left, *together with almost the whole of the professional staff*. The financial appropriation was obliterated, then partly restored, and the body is now slowly being reconstructed under Republican leadership.

Dr. Nourse's chairmanship, and to some extent the prestige of the Council, eventually foundered on the constitutional issue. Both Dr. Nourse and Mr. Keyserling had been in the habit of making public speeches and appearing on radio programmes, although Dr. Nourse, needless to say, was rather shocked by the political (i.e., pro-Democratic) character of his colleagues' addresses. Yet he himself precipitated the crisis, in 1949, by saying in an "off-the-record" speech, which received considerable publicity, that he heartily disagreed with certain radical proposals of the President.

The Council and the President

The topics falling into type two—topics directly illustrating universal problems of economic advisers—are more diverse. The following three seem the best classifications : (i) relations with the President, (ii) relations with other Federal government departments, (iii) methods of work and staffing arrangements.

Dr. Nourse was constantly disappointed that the President took no real interest in the work of economic analysis ; all the Chief Executive seemed to want was an impressive-looking state paper to wave at Congress, rather than a document whose construction would crystallise the process of policy-making. His own economic policy, largely politically motivated, he arrived at almost entirely without Dr. Nourse's assistance. He was an "economic illiterate" ; his only reaction to the first draft of the first Report was that it seemed "too long" (it got re-written by White House staff) and he would never take any interest in the early constructive stages of the drafting.

It is in the nature of things that a successful politician will tend to be the type of person who by temperament and intellectual make-up will not take kindly to the disciplines of applied economic analysis (it is generally recognised in this country that the atypical character of men like Sir Stafford Cripps and Mr. Hugh Gaitskell is just what makes their political life so difficult) ; and this fact creates a universal problem in a world where economic policy is taking up an increasingly important share in the work of political government. Dr. Nourse has a most constructive passage relating to this problem in the United States' context :

As long as I remained on the Council, I continued to puzzle over this problem of how staff economists could use their professional training

in the rendering of really effective service to the President. The Chief Executive, in the nature of the case, would not himself be trained in economics and in many instances not professionally trained in any field. He would likewise be under the constant drive of administrative matters, from the trivial to the momentous, and subject to intensive pressures from the various wings of the Executive Office and extensive pressures from the whole of Congress and the outside public. It is hard to suppose that any President could devote any great amount of time or achieve any high degree of mental detachment in deliberating on matters of national economic policy with a Council of Economic Advisors or its Chairman.

On the other hand, it seems not too much to ask of the Chief Executive that, in his own interest, he delegate responsibility for operative matters and detach himself from pressure wielders to an extent that would make it possible for him to have recurrent periods of contemplation of the broad issues which underlie his ultimate decisions on practical policy. Nor does it seem too much to ask, in this day of heightened economic sophistication, that the President should make it clear to his official family that he believes it important that the executive branch have an internally consistent policy for dealing with the interests of business, of labour, and of agriculture, and with fiscal, monetary, and market processes in such ways as to promote national stability and well-being.

The Council and the Departments

In their relations with other government departments, or "Agencies" in Washington parlance, the Council never achieved the position they would have wished, nor indeed the position which an objective observer might regard as reasonable. They got on well with the Bureau of the Budget (which is concerned with expenditure only), but the Treasury "insisted on playing its cards very close to the chest, not basing its revenue estimates on our analysis, but giving us their official figure at the last moment—even when the Economic Report and the Budget Message were in page proof." It seems that Revenue departments are autarchic the world over. Particularly significant is the story behind the famous "accord" over credit policy reached between the Treasury and the Federal Reserve in 1951. The President had at last appointed a committee, drawn from the Federal Reserve Board, the Treasury, the Council of Economic Advisors (now under the Chairmanship of Keyserling) and the Office of Defence Mobilisation, which was to thrash out the old question of how to "provide the necessary restraint on private credit expansion and at the same time make it possible to maintain stability in the market for government securities." Within a few days the Treasury and the Federal Reserve Board, rather than get involved in any way with the Council, had short-circuited this committee by announcing their "accord," thus settling a dispute which they had previously been unable to resolve since the end of the war. Dr. Nourse sums up: "Recent Reports of the Council and of the President have received little attention, and its counsel has not been sought or even tolerated either by the mobilisation agencies or by 'old line' departments." Again, a familiar tale to readers in many

capitals, although it does appear that things went particularly badly in Washington, certainly worse than in Whitehall, The Hague or the capitals of the Scandinavian countries.

The Staff of the Council

The Council eventually acquired a staff consisting of some seven to ten senior economists (headed by Gerhard Colm), equivalent in status to Assistant Secretaries or senior Principals in the British hierarchy, plus a smaller number of junior professionals and clerks and typists. There was little or nothing in the way of an internal statistical service or facilities for the staff to do research; for such things they were entirely dependent on other departments. Although Dr. Nourse was keenly interested in the work and problems of his staff—he wanted to give them substantive responsibility for submitting completed drafts, etc., whereas his colleagues thought they should function more in the manner of research assistants⁴—he rather unfortunately fails to tell us the really important things we would like to know about this aspect of his subject. We hear again a number of familiar sounds of conflicts between the staff and the Council over the kind of material which should go into the Reports.⁵ We are also told that the staff work was organised round a system of working parties, and we are given a rudimentary organisation chart. But there is practically no discussion of the technical methods used, the problems encountered and the results obtained inside the office. The omission is sad indeed because it is high time there occurred an international exchange of ideas in this field.

There is an important exception to the above criticism. Dr. Nourse makes the illuminating comment that the office never seemed to be able to escape from the day-to-day pressure of report writing, and the limitations of personnel. Instead of an organised campaign for attack on the central problems (e.g., the fundamental philosophy of stabilisation, systematic review of the policies of other Federal government departments, etc.), making frequent and intensive use of staff meetings, the work “fell apart into somewhat unrelated guerrilla operations in response to the particular and sometimes temporary interests of single Council members or strong individuals within the staff.” For these deficiencies Dr. Nourse blames himself, believing that he failed to “get on top of his job” in the early stages of the Council’s life and never caught up again subsequently. Now this confession may be formally accurate as a statement of fact, but it would be completely wrong for Dr. Nourse or anyone else to think in terms of mere chance having blighted the Council with a chairman who was particularly deficient or remiss in the field of organisation. Nearly every similar body has suffered from it, even the famous Research Division of the Economic Commission for Europe at Geneva has found it an immense effort to fit in basic research independently of its programme of publication of annual Surveys and Bulletins,⁶ and it is an open secret that the United Kingdom Central Economic Planning Staff suffered severely in the same way in the days before it became a purely administrative body. Today, in the whole of Whitehall, there is probably hardly a single individual systematically engaged in long term economic thinking, or even in quiet contemplation of the inwardness of current short

term questions. The difficulty is that it is, of course, the very people who are thickly engaged in the day-to-day battles who are best qualified to produce realistic long-term ideas; a specialised body of "back room boys" is not therefore a complete solution. More important is a major change of values within the public service, such that work on immediate issues ceases always to carry the greatest power, prestige and prospects of promotion.

This review has been long because Dr. Nourse's book is so written and arranged that it will not be easily read from cover to cover by many of those to whom it will be of most value—busy officials, so busy that one of the things, *inter alia*, which they never have time to think about is their own organisation. The synoptic moral of the book is that there is a very similar pattern of tribulation in the history of official economic advisory services, which has so far not been in any way systematically discussed by international exchange. Each body, working alone, tends to believe that its own particular troubles were due to peculiar local circumstances, constitutional, political or personal. The mere recognition of the fact that this is an illusion may itself aid progress.

¹S. K. Bailey, *Congress Makes a Law: the Story behind the Employment Act of 1946* (New York, 1950).

²See Bailey, *op cit*, pp. 167-70.

³One priceless note from Truman, which Dr. Nourse reproduces in full in a footnote, p. 377, relates to an attempt by the Council to purge a gross error in a Presidential fireside chat:

Dear Dr. Nourse, . . . The figure really looks to me like ten and, I think, it looks like that to anybody else, unless he wants to go through a lot of statistical figures. . . . But I'm glad you wrote because that indicates you listened to the speech.

The point at issue was that Truman had insisted on quoting the *undeflated* change in Gross National Product between 1900 and 1949 as a measure of the rise in the standard of living and the expansion of industry and agriculture!

⁴Mr. Keyserling, it seems, was particularly a great one for re-writing staff drafts.

⁵In 1949 the staff made use of the Bureau of Labour's newly constructed Leontief matrix in order to construct a long-term projection of America's capital requirements; Dr. Nourse and his colleagues thought that the statistical and methodological basis was too shaky for publication, but they found that "our reaction to these labours of the staff produced such a sense of frustration and tension within the Council organisation that, with many misgivings, this section was included in the Council's review, but in a more tentative and sketchy form than that in which it had first been submitted." Congress did not much approve of long-term analysis, although, as Dr. Nourse points out, the Joint Committee itself eventually published some exceedingly daring work of a similar type done by its own staff.

⁶*Economic Survey of Europe in 1953* (United Nations, Geneva, 1954) contains a survey of the problems of Southern Europe which appears to represent a major victory on that front.

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The Hospitals and the Governmental System of Finance and Accounts

By SIR JAMES ROSS, K.B.E., C.B.

In this paper, given before a meeting of the Institute on 30th November, 1953, Sir James Ross draws on his long experience of Government administration and financial control to comment on certain features of the Hospital Service.

"Let me not to the marriage of true minds
Admit impediments."

So Shakespeare wrote, for all time. But if these two national institutions are indeed true minds, and they are, we must admit that the impediments to their union were at one time very serious.

The Subject of the Address

From the outset in 1948—indeed in the Act of 1946—the National Hospital Service (together with the National Health Service as a whole) was brought within the general system of our public finance and accounts. What were the merits and demerits of that arrangement?

Is there anything in the nature of hospital administration, and is there anything in the essential features of our public finance and accounts, which are irreconcilable, or only reconcilable with harm to the one or a grave departure from the other?

My answer is that there is no such necessary opposition or dilemma. That is not to say that the relationship is easy: it has in fact been very difficult, and at the outset there were other disturbing factors which distorted the picture and which only time could remedy. Apart from these factors, however, the hospital authorities have had to think seriously whether after all they have fully understood and accepted what is rightly required of them in their finance and accounts, as trustees for the nation's hospitals, under the authority of Parliament. Equally the Treasury and the Departments have had to think hard whether the financial and accounting system does not in its practice (if not in its principles) require special adaptation to the character of a hospital service.

The Essential Features of the System of Public Finance and Accounts

We all think we know what is the essential nature of a national hospital service, and the kind of administrative system that this entails. I suggest anyhow that its essential nature lies in its obligation of service to the community and to the individual patient and in its freedom to do its best professional work, within its resources.

Do we all know equally well what is the essential character of the system of public finance and accounts? It is familiar to an audience such as this, but it is not known, except perhaps to its detriment, to most of our fellow citizens. In point of form it may be defined as the control of public expenditure by Annual Votes of Parliament. But it is much more than that. Its original constitutional purpose was to make effective the responsibility of Ministers to Parliament for the financial regularity of the public services. That stands, and in the last fifty years we have increasingly added the efficient

husbandry of its finance. The system is not in Statute Law, except for a few Acts such as the Exchequer and Audit Act of 1866. It is not a mechanical or a static thing: it is not a party affair in its form or in its exercise. It is a great code of approved constitutional practice, dignified and honourable, which has grown up with the House of Commons in the last 150 years, with the House extraordinarily sensitive to anything that touches the regularity and honour of our public administration. It is in constant development and its flexibility in use has been its strength—in peace and in war, when it has changed over in a day from departmental estimates to National Votes of Credit. It has adapted itself, by trial and perhaps by error, to the rapidly widening range of the public services, at home and abroad: for ordinary supply, for grants-in-aid, for public utility and trading services, and for the relations between central and local government finance.

I could illustrate this for a direct supply service—which is our concern tonight—from the finance and accounts of the Royal Air Force, born in war, reconstituted in peace, and then trained to make the utmost of its limited financial resources for training, for research, for reserves, and for potential hitting power in war. Its financial provision was by annual votes of Parliament. Its accounts were designed to cover the intricacies of highly technical equipment, workshop operation, and research, with a heavy building programme; to cover also the mobile character of Air Force Squadrons both in peace and war. It was said, with truth, that if the accounts, as accounts, had been abolished, almost the whole system would have had to be restored the next day for the efficient provisioning and administration of the Air Force as a fighting service. As for the Treasury—it has often been hard to convince, but in times of crisis a two-hours conference there, with the responsible Air Member of Council taking part, sufficed for the immediate approval of large measures essential in preparation for war.

Today we discuss the merits of a five years' guaranteed vote for the hospitals. Some of you will recall how in February, 1937, a provision of £1,500 millions for defence was foreshadowed, over five years, and at the same time the approval of immediate defence loans up to £400 millions. There you have an expanding programme over five years, without departing from the approval of annual estimates and accounts for each defence department, with the appropriate annual accounts, abbreviated for reasons of security.

In its simplest terms the system of supply for a spending department such as the Ministry of Health—or the Department of Health for Scotland—involves these basic elements:

- (a) Annual estimates voted by Parliament under main and detailed sub-heads. To be prepared in accordance with the directions and subject to the approval of the Treasury.
- (b) Current observance by the departments of financial and accounting principles accepted as standard practice in the public service.
- (c) Annual Appropriation Accounts to be prepared and transmitted to the Comptroller and Auditor General.
- (d) Reports by the Comptroller and Auditor General on the Accounts to the House of Commons. The Accounting Officer of the

Department appears before the Public Accounts Committee for examination on that report.

These are the basic things. In addition there are for most public services supplementary accounts or cost statements appropriate to the subject-matter, for aids to management, for guides to policy, and for the information of Parliament.

The keynote of the whole system is responsibility.

The National Hospital Service : Its Constitutional Status

If all this is a true picture, what was the real basis of the widespread dissatisfaction, and even resentment, against the operation of the system in the first three or four years of the National Hospital Service?

For this we have to go to the historical origins of the Hospital Service. In the discussions before the Act the final shape of the Service was at first slow in coming. Discussion ranged round the creation of Joint Boards covering groups of Counties and County Boroughs, financed partly from Local Authority funds and partly from State grants. The Voluntary Hospitals would retain their status and would act under contract with the Joint Boards : they would be reimbursed to a substantial extent from public funds. Then quite suddenly came the scheme in the 1946 Bill, brushing aside all the financial and other complications that these tentative plans involved and bringing virtually all the hospitals in the country into national ownership, to be administered under Regional Boards and Boards of Governors. The issue was cleared by an historic debate in the Lords in April, 1946, when Lord Moran summarised the argument thus—"By the plan in the Bill . . . we gain the co-ordination of hospitals, which has been long overdue. We gain financial peace . . . we gain freedom from the menace that the hospitals will be put under the local authorities in their present condition. . . . We lose the voluntary system. . . . But not every voluntary hospital is a centre of learning. Nearly all these advances in the past have come from the teaching hospitals, and since they are left intact, this, the very essence of the voluntary system, is preserved."

That was the turning point in responsible opinion, and the Act of 1946 gave effect to it by a notable constitutional experiment. The Minister carries the responsibility to Parliament for the efficiency of the Service and for the husbandry of its finance. He secures this through the Hospital Boards and Management Committees, serving on a voluntary and unpaid basis. They are the Minister's responsible agents. The Hospital Service became a public financial service under Votes of Parliament and Parliamentary and Treasury financial and accounting procedure. But bear in mind what had been said in the White Paper accompanying the Bill—that the policy of the Minister would be to give the Regional Boards and the Management Committees "as much financial freedom—by a system of block annual budgets or otherwise—for local initiative and variety of enterprise, as general principles of exchequer responsibility make possible." And again, in the comprehensive memorandum issued in June, 1947, "The Minister wants the Boards to feel from the outset, though acting as his agents, a lively sense of independent

responsibility." Finally, in May, 1948, the Memorandum for the Boards of Governors of the Teaching Hospitals stated that "Boards of Governors will act as the Minister's agents. Powers of control . . . have to be reserved because of the Minister's ultimate responsibility. It would, however, be quite alien to his intention that these powers should be used for detailed or meticulous control."

These assurances were given with complete sincerity. But they were "for an uncharted sea." Clearly the introduction of the system would need the most delicate handling, with a most careful preparation of the minds of the new Hospital Authorities for what the new system would inevitably entail in estimates provision and control, especially having in mind the high expectancies in some quarters, which could have made expenditure run riot. It is a question whether that preparation was adequately done: perhaps that was asking too much in that tempestuous period, with the wind whistling through the rigging.

The Story of the Years 1948-51

On 5th July, 1948, the new era began and the Hospital Services of the country passed over to an entirely new policy and management, with an entirely new system of finance and accounts. Tensions were high. For all of us it was an amazing emotional experience, like the moment of one's first flight, when a great aircraft becomes airborne and we pass into a new and untried dimension of space. The vast organisation, only just complete in its formal outlines, moved into its new world, and in Regional Council chambers and local hospital offices men and women of energy and capacity were leading the way for their fellow workers through strain and stress. Boards and senior staffs were everywhere at work pulling their Regions together, with surveys of needs and of resources.

As to the finance and accounts of the Service—any vast organisation such as a Regional Board with its 20 to 50 Hospital Management Committees and its turnover of 10 to 20 millions a year requires, Government or no Government, a precise and efficient system of finance and accounts for efficiency of operation, for regularity, for forecasting, for management and ultimately for policy. The elements of such a system had been provided, so far as imperfect human pre-vision could devise it, and it is a tribute to it on the practical side that there was no breakdown of service anywhere on the Appointed Day.

But the situation overall was grave and even menacing. The surveys quickly showed up the long legacy of arrears, in buildings, in renovations and upkeep, in equipment, in resources of every kind. Next, there was the desperate need for trained personnel. Further, costs were rising ominously and market scarcities were serious. Again, medicine itself was expanding irresistibly, if it was to fulfil even a part of its new and growing powers and responsibilities. Over and above was the critical condition of the nation's finance, with nothing to relieve its gathering dangers. The conditions of the new Service could not have been worse, short of bankruptcy. These were the factors that created the troubles that now arose. The change of financial system for the Service could have been carried, and was carried,

but the financial stress strained the Service to the uttermost, and inevitably prejudiced the minds of the hospital authorities against the financial system. Added to this, the Department itself was slow to see, and to accept it, that a year's estimate for the new Hospital Service was not just a pricing of the old services : it had to be a new figure.

The draft estimates for 1949-50 brought matters to a crisis. Even yet there were no real data for anything like a true estimate, and a forced limitation of estimates had to be used as the instrument of control, under the compulsion of the crisis in national finance. Yet the expenditure rose, irresistibly, involving a supplementary estimate so huge that the Minister was driven to impose a closed estimate for 1950-51, at £270 million. On Government instructions this level was in no circumstances to be exceeded.

It was fortunate that this order came when it did. This estimate, of £270 million, was the first figure that had been based on experience. It was in fact very close to what the Hospital Boards had themselves asked for.

What was at issue in all this was not the Governmental system of finance and accounts, but the use made of it in the circumstances of the time. It was first the demand for estimates with an impossible precision, seven months in advance of the financial year. It was also the nature and degree of financial control exercised by the Minister. It is easy today to see the crudeness of it all, but the only alternative in the first two years was to allow global estimates without any criteria for assessing them and before the Management Committees had gone through the hard discipline of administering their hospitals on severely limited resources.

In August, 1951, the procedure for the submission of estimates was made much more reasonable. But let me first refer to two points in the financial system which had given much offence. The first was the lapsing of unspent balances on 31st March. But there is no real justification for carrying forward unspent balances on maintenance account into April of the year following. Provision for current needs in April is automatically available from the new estimates, with a balancing carry-out in the following March. The unspent balances may have arisen from overestimating ; and there are better ways of rewarding a Management Committee for praiseworthy economies. The hard case, which should now be very rare, is where a Committee has saved carefully for an expensive bit of equipment to be bought in February or March and delivery falls into the next year. The Committees must really give up the narrow idea that " what they save they lose." The truth is that what they save, by and large, the Service gains.

The other point was the refusal to allow transfer of savings, even within the same sub-head. That refusal was a measure of the straits to which the Minister was put, for national reasons, to keep down expenditure, short-sighted as it may seem.

The Rise in Hospital Estimates

Hospital Estimates have risen from £202 million in 1949-50 to £305 million for both 1952-53 and 1953-54. (The figure for 1953-54 represents a substantial increase as the estimate for 1952-53 was heavily under-spent.)*

*The Hospital Estimates for 1954-55 have again risen, to a total of £321 million.

The Chancellor's position in all this has to be clearly understood. The situation was desperate; the more for hospitals the less for national defence and national financial solvency. At the same time there was no natural limit to what could be spent on the hospitals to the benefit of the nation's health. The limit permissible had to be arbitrarily fixed. Within this limit the Service has had to wrestle on, while methods and conditions were being created whereby the programme itself, and the allocation within the programme, could be based on ascertained figures of standard costs. These figures are only now beginning to be known.

I have elsewhere* developed the thesis that in any great Service—whether social or military—finance and policy are inexorably one. Your estimates are your policy for the year expressed in terms of money. Assuming a given total—and it will always be something of a compromise—you *can* increase it, by a better direction and husbandry of its spending. Finance ceases to be your enemy: it becomes your intelligent and most powerful instrument. I ask the medical statesman to put searching questions to the accountant and to take a really intelligent and critical interest in the answers.

There is an old tale of the distinguished Head of an Oxford College, blessed with six upstanding daughters, and he was talking about them to a friend. "Take comfort," said his friend, "think what a resource they will be to you in your old age." "Yes," he answered, a little ruefully, "but I have to husband my resources." His gifted wife was equal to the husbandry. Those of them (it is said) who did not marry Bishops married Heads of Colleges, and those who did not fancy Heads of Colleges married Bishops. We too have to husband our resources.

The Position Today

Let me now briefly state the position today, following the radical change in the procedure authorised in August, 1951. Take for illustration the estimates for 1954-55, first under maintenance and next under capital.

In July of this year the Ministry asked Regional Boards to forward by 31st October their forecast estimates for maintenance expenditure in 1954-55: not for each Management Committee separately, but in one total for the Region. The estimates would be on the basis of estimated services as at 31st March next, and on prices and wage levels as at 31st August, 1953. The Regional Treasurers have already done this, in collaboration with the Committees. One total figure is also to be shown for urgent developments and improvements, divided under the two heads of new expenditure arising from completion of capital works and expenditure arising from other developments and improvements. The Board's own expenditure is to be given in more detail, as is right; the Board cannot be its own judge. The totals from all Boards, including Boards of Governors, are then put together in the Ministry and the grand total is no doubt discreetly revised. "By 15th January, 1954, the Ministry will notify each Board of the total sum which it is proposed to allocate to each region, subject to the ultimate approval by the Government and by Parliament of the estimates for the National

*See *The National Health Service in Great Britain*: Oxford University Press, 1952: chapters 26 and 32.

Health Service." By 28th February, Boards will have made their peace with the several Committees and will have told them the total sum within which they will then prepare their detailed estimates.

Provision is made for special factors such as trends of salaries and wages, this by way of a regional reserve.

Committees will watch the progress of expenditure month by month and the submission by them of revised estimates in October gives the Regional Board the opportunity of a useful half-time review.

The capital estimates are settled from the centre, on the total sum available within the Ministry's share of the national investment programme. The allocations to Regional Boards range from £200,000 to £677,000. Allocations to Boards of Governors are notified separately to each. Boards will then prepare realistic capital programmes and estimates by 15th January. Capital provision is also made outside the allocations to Boards, to cover specially selected schemes and for the financing of additional accommodation at mental and mental deficiency hospitals.

On capital expenditure the hospital service has been very hardly served, by fate. The provision—about 3 per cent. or 4 per cent. of its turnover—is utterly inadequate. This does not result from the nationalisation of the hospitals or from the system of public finance. It arises, as you know, from the close restriction of the capital investment programme of the country, to conserve it for defence (including civil defence), for the housing programme, and for maintaining the competitiveness and efficiency of our industries and the volume of our exports—to quote the Economic Survey for 1953. Our hospital needs are varied in character: some are for the renovation of old and indifferent buildings, to promote the efficiency of the service and the comfort of the patients: some are for new services, which will in fact add heavily to annual maintenance: some are for modernisation of buildings and plant with an immediate return in reduction of maintenance costs. We have to choose in detail between these.

It will thus be seen that a great change has come over the spirit of the scene. Regional Boards have now the maximum freedom of estimating within the total that the national finances can carry. This means in effect a change-over from central control on the basis of detailed estimates from the Committees individually approved, to a control within the hospital administrative organisation.

Let me draw an illustration from the North. Under the Department of Health for Scotland each Regional Board is given a somewhat arbitrary sum for development, as just described. A Board may have (say) £100,000, but it may not be ready to use it. Instead of handing most of it back to the Treasury it can negotiate with other Boards to take over £x of it, for repayment by them next year. All on services approved in principle. And here is a more homely illustration. One senior administrator has a fine family of six, all at school in Edinburgh. Their personal allowances are assessed in committee at the beginning of each term, based on fares, lunch charges, school games and miscellaneous. The estimates can be revised at mid-term on public price movements, if serious. During the term one lad discloses ideas about a new camera to his brothers and his sister, and they find the money from their allocations. It is duly repaid to them by the

borrower next term, and the Chancellor of the Domestic Exchequer lets the good work go on.

When that degree of freedom has been reached, we have gone a long way: and the whole Service, Committee by Committee, accepting the fact that it has to work within a closed total of resources, has now to work out its own salvation. To begin with, a closed total (whether regionally or by districts) is a discipline with its own salutary effects. "It should mean a thorough review of priorities, in outline and in details; it compels a search for economies; it encourages new ideas for getting things done more cheaply and more efficiently." That was the working philosophy of the Royal Air Force from 1920 to 1938. It was the working system of the whole national Defence Service during the war, within the closed total not of money, but of our national productive capacity. Lord Stamp in February, 1940, gave an address to 150 Senior Staff Officers of the Royal Air Force; his subject was the economics of war and his text was the limitation of resources. He was then the economic adviser of the Cabinet, and on one key element he told us that the combined demands of all the services amounted to 300 per cent. of the supply. The General Staffs had to settle priorities and shares. In this respect the economics of peace are just the same as the economics of war. Once you grant it that the Hospital Service has to do its best on £300 millions you have every incentive to make it go to its furthest, and the basic elements of the system of public finance and accounts are not going to hinder it much: rather, I think, the contrary.

In summary, just what was it in public finance and accounts that had given rise to protest? It was not the voting of money by Parliament. The money *has* to come that way. And it has to come by annual votes. It was not the framing of estimates. These are essential for the orderly approval by Parliament of £300 millions of public money. And they have to be in reasonable detail, for their own orderly management, and for some supervision by the next higher authority.

Was it the control exercised by the Minister? Certainly yes, I think. But I have shown that the troubles of control arose mainly out of the special circumstances of the period 1948-51, on which we are all now wiser. And the good work of delegation will go steadily on. None the less there stands out a big essential fact, with which we must come to terms, that the Minister is responsible to Parliament for presenting the Votes and for the good husbandry of the voted money. Parliament will never weaken on this, however reasonable it may be in exacting it. But in this the Service, with its delegated powers, can help the Minister enormously and serve its own interest in so doing. His manifold relations with Boards and Committees require understanding on both sides: there is no other way, and no other way is needed.

I have been speaking of the doctrine of the power of a closed total. On this let me quote from a paper on "Decentralisation" by my old chief Sir Charles Harris, which appeared in *PUBLIC ADMINISTRATION* in 1925 (Vol. III, p. 117).

"A Treasury, in our sense, is the High Priest of parsimony and at Estimate time is enthroned in all its mystic vestments, but when the government has fixed the money to be assigned to a department and the Chancellor has arranged to find it, the first duty is no longer to pursue parsimony within

that limit and surrender as much as possible, but to practise economy by getting the best value for the money; and as value is a technical judgment, this duty must lie primarily with the spending department. It should be given the freest possible hand in laying out its rationed total, and all experience shows that this is the way to secure the best results." You might think this had been written in 1925 with today's Hospital Service in view.

A Four Years Budget?

The question is widely asked—could we not budget for (say) four years ahead? In this do we mean a money budget or a development programme? A money budget is frankly impossible: we cannot budget accurately even one year ahead, partly because of over-riding economic conditions, including emoluments under the Whitley system: still less could we do it for four years. And the very fact of the developing nature of the Service would mean that the estimate for the fourth year would be nothing better than a round residual total, probably inadequate. But apart from that the Minister must be in current touch with the Regions, and Parliament for its part could never bind itself years ahead: Governments change and even the same Government could not bind itself *vis-à-vis* the other big liabilities of the State.

It is quite another matter to have a development *programme*, both for maintenance and for capital, which looks well ahead, and it is reasonable to assume for planning that Parliament will vote money in future years with close regard to the essential needs of the national service as we now know them.

In this connection the precedent of the State grants to the Universities has been invoked, with the suggestion that the votes of Parliament should be granted outright, for maintenance and for capital, on a three to five years' basis, the Minister being responsible to Parliament only for major questions of policy. This might even imply the creation of a vast Hospital Trust or Trusts, national or regional. That is a long way ahead, if ever, though something like it could make sense as part of a revolutionary reform of Local Government areas and powers. But at present, and for finance, it does not stand examination. The maintenance grants to the Universities are simply grants-in-aid, with the certainty that they will be well within their minimum necessary expenditure. The capital grants are individually approved.

The questions we are examining are all within the terms of reference of the Guillebaud Committee, appointed by the two Ministers in May, 1953. The Chairman and Members were so selected as to bring fresh and varied thinking into these problems and it will be interesting to see how some of the more venerable features of our public finance stand up to the inquiry. I should also refer in passing to an able and dispassionate study entitled "Centralisation in the Hospital Service," which appeared in *The Lancet* of 14th November, 1953.

The Problem Now Set. The Identity of Interest of Hospital Authorities and of the Minister

Starting afresh from this new system of estimating, with its own freedom within approved totals, what is the problem now set?

(a) As a matter of *substance*, it is how to ensure that the £300 m. is being spent to the best purpose.

(b) As a matter of *system*, it is how to enable the Minister in this new setting to make effective his financial responsibility to Parliament.

I suggest that these two things are one and the same. By making effective their own responsibility for their hospitals the Boards and Committees are serving the Minister as well and giving him the evidence to justify the voted moneys. There will of course be difficulties. One principal difficulty for the Minister may be in reaching a just allocation between the Teaching Hospitals and the Regions, and between the Regions themselves. That will be a gradual process, under continual review. And in the current processes of administration audit will never be popular. But audit should be realised as a protection and a positive aid to hospital administration.

The real issue for the Hospital Service and for the Minister is how jointly to make the most of our resources. This is a vast undertaking and the better understanding now prevailing over the financial and accounting system can do much to promote it. We are surely on the eve of a great advance.

The objects in view are two-fold. The first relates to major questions of hospital policy, covering the whole range of national and regional health priorities. In this finance is an indispensable aid. The second is the unceasing search for administrative economies and increased efficiency. These are indispensable as a contribution to the first.

Cost Accounts

Turn now to the *instruments* for this undertaking. For the last two or three years there has been a restless brain at work in *The Times* office, writing articles under such headings as "Facts from the Ministries" and (I regret to say!) a recent one on "Misleading Figures." He has made an unanswerable case for statistics and costs bearing directly on the major questions of the Service. "We can't have too much knowledge and we haven't got very much now," so said Professor Titmuss at the recent Health Conference at Church House, Westminster. Let us first be sure of the groundwork for this enterprise.

The instruments are three—significant statistics, costings, and professional and technical assessments. These are closely inter-dependent; a low cost may cover an inefficient service, while a high quality figure may mean high efficiency in the product. Our concern here is specially with cost accounts. The Statutory Regulations prescribe that cost accounts shall be prepared by Boards of Governors and Management Committees in such form as the Minister may direct. In that sense they are part of the Governmental system.

It is an obligation on the Hospital Service to work out its own salvation in this matter. And it must not hold back from costings from fear of the unknown or from any fear lest avoidable expenditure may be exposed. Every shilling thus saved is a shilling added to its power and efficiency.

Let me illustrate this from another highly technical sphere. Many years ago two comparable squadrons of the Royal Air Force were costed for workshop maintenance of their aircraft, Bristol Fighters I think. Senior Air Officers shook their heads over this. Here is what happened. Squadron A was found to cost twice as much in technical maintenance as Squadron B.

So the Director of Equipment sent a technical officer to each station and it was found that the technical efficiency of the squadron on lower costs was well ahead of that of the squadron that cost twice as much.

Let me summarise where we stand in this for the Hospitals. It was on the initiative of the Central Health Services Council that the King Edward's Fund and the Nuffield Trust undertook a complete unit costing of a number of representative hospitals. Meantime, on the initiative of the Regional Board Treasurers, a simple and uniform system of subjective cost accounts was set up for all hospitals, under such general heads (with subdivisions) as Running Charges, Standing Charges and Extraordinary Expenditure. A further analysis gives the costs with an estimated elimination of out-patient expenditure. The figures cover, for example, drugs and dressings, fuel, provisions and staff. The hospital returns also give such essential data as bed-states, in-patient days, average stays per case, and out-patient attendances.

We are now well into the second stage, experimentally, that of functional costing, the costing of departments and services. We have to move cautiously, to make sure that the costing will aim at practicable and profitable results, with the minimum of clerical work. The subject has been reasoned out in three able reports. First there is the Second Report of the Treasurers' Subcommittee, premising:

(a) That the cost of any costing system shall be weighed against the advantages likely to be gained. (We have to begin by costing the coster.)

(b) That the system will be wasted unless the results obtained are accepted (*con amore*) and used by those responsible for spending. Let us get the support of administrators, of doctors, and of Committees by first capturing their imagination through their self-interest.

The reports of the Nuffield Trust and the King Edward's Fund, published in November, 1952, agreed that in place of the present subjective analysis of expenditure there should be an accounting system based on the several departments and services of the hospital, i.e., on the several distinct spheres of responsibility; that the expenditure of departments should be brought, where appropriate, to costs per unit of work performed; and that the budget for each hospital should follow this accounting pattern. There are differences over "the stages by which this departmental system should be introduced" and over "the nature and complexity of the units of cost."

And now just the right step has been taken. After consultation with the Boards a highly qualified Working Party, drawn from the widest range of the Hospital Service, has been appointed by the Minister, with these reports as a basis, to devise a system of hospital costing based on departments and services, which could be used to supplement the existing subjective accounts system. The new system should of course cater for the different types and sizes of hospitals.

Let me give two or three simple illustrations of the use of our three instruments, statistics, costings and professional appraisements:

(a) For significant statistics we go at once to bed occupancy and lengths of stay; as I have seen done in a recent three years' survey.

The statistics do not give the answers, but they put the questions, as is the way of good statistics, for professional assessment.

(b) For costings, even the present subjective costings are full of challenging figures, as pointers for inquiry. A Committee for example explained a high figure for drugs and dressings by the large number of certain types of cases: but other hospitals also had many cases of these types and their costed figures were very much lower. Many Regional Boards and Committees have taken keenly to these subjective costings and though they are quite inadequate for the big multi-purpose hospitals, they serve some useful purposes even there.

(c) And for the technical assessments, the engineers (e.g.) find that a high cost for heating is due to a technical factor and that even with the high costs the hospital is not being heated properly. High laundry costs have led to professional advice from the British Launderers' Association and a special allotment for machinery was made. In the same way independent appraisal may be invaluable for catering and for purchases.

May I also refer briefly to some first-class pioneer work of this kind in a Scottish Region? To begin with, there is close collaboration between the Regional Treasurer and the Finance Officers of the Management Boards. In the Scottish Service audit is vested in the Regional Board and this has many advantages—in financial advice, in helping the Management Boards in their own financial control, in cost accounts, in stores accounts, and in economic buying. And this Regional Board specially encourages independent appraisal apart from the financial approach.

For the year 1952-53, this Region had 62 hospitals costing 10 per cent. or more over the composite bed-day rate; these were specially examined. The *prima facie* results were useful, but they pointed conclusively to the necessity for objective costing (prime costs only) for the larger hospitals, several with medical schools and up to 1,000 or 1,200 out-patients a day. The interesting thing is that if this were applied in only 24 hospitals, which is not a very serious problem, it would cover the greater part of the Region's expenditure. Complete costings have been carried out in selected cases.

In one Metropolitan Hospital Region nine large multi-purpose hospitals are being fully costed from 1st April, 1954. So that the Service is well into the second stage. This in its turn will lead to the next—the ascertainment of standard costings and on to fruitful operational research for the larger problems of hospital policy and practice.

The Enlarged Opportunity of Service

It is sometimes said that on our Boards, and on our Management Committees also, we have men and women of the highest capacity for whom there has been little opportunity in these difficult years. I suggest that even if this has seemed to be the case these men and women have given great prestige and authority to the Service and that in the uncharted sea still ahead of us, with health economics as a dominant factor, they will be of indispensable

value in guiding its policy and giving reassurance and encouragement to the senior staffs, professional and administrative.

Postscript

Note on the Guillebaud Committee

In view of the importance of the report of the Guillebaud Committee for the matters discussed in this lecture, the following quotation is given from the speech of the Minister of Health in the House of Commons on 10th May, 1954 (H.C. Deb., Col. 886):

"A year ago almost exactly in this debate the discussion centred round the appointment of the Guillebaud Committee, and perhaps I can say a word about what the position is. I understand that the Committee met first in May, 1953, and has been meeting regularly since then, including meetings in Scotland, where it met for four days in Edinburgh in March. It has an immense weight of material to study, and it has announced that the closing date for written evidence is to be 30th June. There is a great deal of oral evidence to be taken after that, and I understand that the Guillebaud Committee will probably begin preparation of its Report towards the end of the year. We all await eagerly the opportunity to study its conclusions."

ERRATA, "CIVIL SERVICE REFORM, 1853-5"

We are indebted to Professor K. C. Wheare for calling attention to three points in the material in our Spring issue dealing with the Trevelyan-Northcote reforms.

(i) Sir Stafford Northcote is described as Member of Parliament for Dudley at the time of the signing of the report (in the headnote to the reprint of the Report and at page 30 in the article on "Civil Service Reform, 1853-5"). He did not, of course, get into Parliament until 1855.

(ii) At page 50 of the article, Mr. James Wilson is described as Assistant, instead of Financial, Secretary to the Treasury.

(iii) At page 26, Professor Hughes says that "the precise terms of reference of the commission are unknown." Professor Wheare suggests that the Treasury Minute dated 12th April, 1853 (Parl. Pap. 1854-5 (xxx) 375-6) gives this information.

The Political Activities of Civil Servants

ESTABLISHMENT Circular 26/53 dated 14th August, 1953, was issued to Departments to implement the Government's decisions announced in the White Paper on the Political Activities of Civil Servants (see PUBLIC ADMINISTRATION, Summer, 1953, pp. 163-175). The important sections of the Circular are given below.

Definition of Political Activities

3. Hitherto it has been left to individual Departments to decide what activities come within the long standing rule that non-industrial civil servants should "maintain at all times a reserve in political matters" and not "put themselves forward prominently on the one side or the other."

From now on it will be understood that the political activities to be subject to rule are as follows :

(a) National Political Activities

- (i) Adoption as a Parliamentary candidate.
- (ii) Holding in party political organisations offices impinging wholly or mainly on party politics in the national field.
- (iii) Speaking in public on matters of national political controversy.
- (iv) Expressing views on such matters in letters to the Press, books, articles or leaflets.
- (v) Canvassing on behalf of a Parliamentary candidate.

(b) Local Political Activities

- (i) Candidature for, or co-option to, Local Authorities.
- (ii) Holding in party political organisations offices impinging wholly or mainly on party politics in the local field.¹
- (iii) Speaking in public on matters of local political controversy.
- (iv) Expressing views on such matters in letters to the Press, books, articles or leaflets.
- (v) Canvassing on behalf of candidates for election to Local Authorities.

Participation in parish council affairs is not, however, forbidden to anyone except by such special rules as may be made under paragraph 8 (d) of this Circular.

¹Paragraph 15 of the Whitley Committee Report (which forms an Appendix to Cmd. 8783) gives as an example of such an office the office of Ward Secretary. In certain organisations, however, this office could involve the holder in activities in the national political field, which, if they loom large, e.g., if they involve active participation in a national election campaign, would, of course, bring the individual concerned within the scope of the rules governing national political activities.

THE POLITICAL ACTIVITIES OF CIVIL SERVANTS

Division of the Civil Service into Three Groups

4. The Civil Service will be divided into three groups :

(i) The politically free—those completely free to engage in the activities defined in paragraph 3 ;

(ii) The intermediate group—those eligible for freedom to engage in most of the defined activities, by permission of the Department and subject to certain conditions ;

(iii) The politically restricted—those debarred from engaging in the activities defined as national political activities but free to seek permission of the Department to engage in the activities defined as local political activities.

5. The composition and chief features of the three groups will be as follows.

The Politically Free

This Circular makes no change in the freedom of members of this group to engage in political activities as laid down in Establishments Circular No. 3/50 and Establishments Circular No. 9/50.

A slight change, however, is to be made in the composition of the group as defined in Establishments Circular No. 3/50 and subsequent correspondence. Broadly speaking the group is made up of all the industrial staff and the non-industrial staff in the minor and manipulative grades. This will remain the case, but those grades within the Technical (Works and Engineering) structure, and related structures², which are at present included in the group, will be taken out of it and put in one or other of the other two groups—usually the intermediate group. The existing members of grades so transferred will, however, retain certain rights (see paragraph 10 (b)).

The Intermediate Group

6. This group will comprise :

(a) Typists, clerical assistants and clerical officers ; and members of analogous grades—i.e., members of grades, General Service or Departmental, engaged on typing and clerical work.

(b) Grades parallel to those in (a), i.e., grades of roughly the same status, whether General Service or Departmental.

(c) The intermediate clerical grades.³

(d) Grades parallel to the General Service grade of executive officer, i.e., grades which, not being in an executive or analogous class (e.g., information officers and librarians) are of roughly the same status, e.g., leading draughtsmen and experimental officers.

²These related structures include the non-technical supervisory, the stores and the instructor grades.

³These grades exist in only a few Departments.

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(e) Post Office manipulative supervisors who are outside the free area but have scale maxima of roughly the same order as the executive officer.

* * *

8. The essential features of this group are as follows :

(a) Its members are eligible for permission to engage in all the political activities listed in paragraph 3 of this Circular with the exception of adoption as Parliamentary candidate.

(b) Departments will grant permission or refuse it mainly according to the degree and nature of the contact with the public involved by the duties of the officer concerned, and the extent to which his political activities are likely to be known, or to become known, as those of a civil servant whose official duties involve his taking decisions, or seeming to the public to take decisions, affecting the personal well-being of the Department's clients. Thus, for example, while a clerk in the Savings Department of the Post Office would no doubt normally be given permission to take part in national political activities, a clerk in a local office of the Ministry of Labour and National Service or in a local office of the National Assistance Board would probably not. Other criteria may sometimes be relevant ; staff in Private Offices, for example, are in a special position and will probably be refused permission to take part in political activities.

(c) Where permission is granted it will be subject to the observance of the codes of discretion given at Appendices 2 and 3 to this Circular ; and to the obligation to notify the Department of election to a Local Authority.

(d) Where permission is given to take part in national political activities it will normally follow that permission should be given to take part in local political activities. Departments should also allow those not given permission for national activity to take part in local activity in as many cases as possible consistently with the fundamental intention of the scheme—the safeguarding of the Civil Service's reputation for political impartiality. Special rules on participation in local government activities will, however, be laid down by those Departments which are in close official contact with Local Authorities.

(e) Departments should indicate which of their staff within the intermediate group will be given *en bloc* the standing permission referred to in the Whitley Report as an " open general licence," and which must seek it individually. It is expected that, over the Service as a whole, standing permission will be received by a high proportion of the group. Those to whom individual permission is given will not have to re-apply for it, save in the event of a change of grade or of a move to a branch of a Department, such as a Private Office, where permission for any form of political activities is not normally given. Departments will, however, retain the right to withdraw it (for example, on a change of duties).

The Politically Restricted

9. This group includes all those civil servants not in the other two groups

Civil servants in this group are completely barred from the national political activities listed in paragraph 3 above.⁴ They may, however, seek permission to take part in local political activities. The extent to which Departments will be able to give permission will vary with the varying circumstances of Departments, but (subject to the special rules applicable to those Departments in close official contact with Local Authorities) Departments should give permission to the maximum extent consistent with the maintenance of the Civil Service's reputation for political impartiality. Where permission is given it will be subject to the code of discretion at Appendix 3 to this Circular and to the obligation to notify the Department of election to a Local Authority.

Reserved Rights

10. (a) There may be a few people in the general clerical, executive and analogous fields who are actually holding in party political organisations offices which, under the new rules, would be barred to them. Any such individuals will be allowed to retain such offices, and, if there has been no break in service, to be re-appointed to them, so long as they remain in the grade in which they are now serving.

(b) In the Technical (Works and Engineering) and related fields, staff at present entitled to a more free classification than these rules permit will be allowed to retain it so long as they remain in the class in which they now serve.

Departmental Action now Required

11. Departments should consider in the light of the general principles given in paragraph 8 above which of their departmental grades fall to be included in the intermediate group; and in due course should submit their proposals to the appropriate Treasury Departmental Establishment Division. It may be convenient to submit schedules showing:

(a) The grades which in their view should certainly be in this group;

(b) The grades whose classification presents some difficulty, giving a note of the difficulty and an indication of the solution which seems best.

12. Departments should also submit to the appropriate Treasury Departmental Establishment Division their proposals for the reclassification of the grades referred to in paragraph 5 above.

13. Departments should divide their intermediate group staff into those who will be given standing permission to exercise the freedom for which members of the group are eligible and those who must seek permission individually.

14. In due course the Treasury should be informed of the approximate number of staff in each of the three main groups and of the approximate number in each category within the intermediate group.

⁴This is subject to the maintenance of the Post Office's long-standing rule permitting canvassing to their staff except where "obviously incompatible with their official position."

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15. Departments should ascertain whether any members of their staff are entitled to reserved rights under paragraph 10 (a) above.

16. Discussion with the Departmental staff representatives will, of course, be appropriate before decisions are taken on paragraphs 11, 12, 13 and the special rules referred to in paragraph 8 (d).

17. Within the limits imposed by the Whitley Report, and without prejudice to their view that no civil servant should be restricted by rule in the exercise of his political rights as a citizen, the National Staff Side have concurred in the terms of this Circular.

* * *

For the agreed code of discretion contained in Appendices 2 and 3, see Cmd. 8783 and PUBLIC ADMINISTRATION, Summer 1953, p. 169.

THE POLITICAL ACTIVITIES OF CIVIL SERVANTS

Statistics by Departments

In the House of Commons on the 8th April, 1954, the Financial Secretary to the Treasury (Mr. Boyd-Carpenter) gave the following statistics in reply to a Question from Mr. Peter Freeman :

POLITICAL ACTIVITIES OF CIVIL SERVANTS

Department	Staff of Department on 1st January, 1954	Free group (See Note 5)	INTERMEDIATE GROUP (See Note 6)				Restricted group (See Note 8)
			Standing permission to engage in all political activities for which members of group are eligible	Required to seek permission individually to engage in any of the political activities for which members of group are eligible	Remainder of group (see Note 7)	Total in group	
Admiralty	33,922	2,912	21,423	12	—	21,435	9,575
Agriculture and Fisheries ..	13,067	1,532	5,147	2,550	—	7,697	3,838
Air	26,569	3,198	17,562	14	305	17,881	5,490
Customs and Excise	15,210	2,532	3,360	15	—	3,375	9,303
Education	2,993	599	—	—	1,269	1,269	1,125
Food	17,759	2,674	4,112	6,821	—	10,933	4,152
Foreign Office	5,579	1,018	619	1,458	—	2,077	2,484
Forestry Commission	2,233	90	629	973	—	1,602	541
Fuel and Power	2,550	263	1,161	185	—	1,346	941
Health	6,046	1,236	—	—	3,390	3,390	1,420
Home Office	3,382	456	—	—	1,619	1,619	1,307
Housing and Local Government	3,252	332	—	—	1,349	1,349	1,571
Inland Revenue	53,445	3,421	8,197	28,233	—	36,430	13,594
Labour	25,700	3,517	4,496	11,668	—	16,164	6,019
National Assistance Board	9,943	676	1,821	4,124	—	5,945	3,322
Ordnance Survey	4,317	4,001	—	257	—	257	59
Pensions and National Insurance	38,826	3,494	17,388	10,685	—	28,073	7,259
Post Office	258,531	215,494	32,143	1,834	—	33,977	9,060
Prison Commission	6,663	5,118	801	—	—	801	744
Scientific and Industrial Research	3,073	135	1,482	447	—	1,929	1,009
Stationery Office	3,118	1,154	867	676	—	1,543	421
Supply	32,934	2,686	13,550	5,398	—	18,948	11,300
Trade	7,169	1,116	3,078	485	—	3,563	2,490
Transport and Civil Aviation	10,756	2,804	3,618	546	—	4,164	3,788
War Office	39,287	22,073	31,411	42	—	31,453	5,761
Works	14,508	2,306	8,661	11	—	8,672	3,530
OTHER DEPARTMENTS	28,085	5,723	10,227	1,865	850	12,547	9,815
TOTAL (non-industrial staff)	668,917	270,560	191,753	78,299	8,782	278,439	119,918
Add industrial staff all Departments	427,223	427,223	—	—	—	—	—
GRAND TOTAL	1,096,140	697,783	—	—	—	278,439	119,918

NOTES

1. As a number of Departments are in consultation with their Departmental Whitley Councils about the classification of staff, the figures given are provisional.
2. Departments with staffs totalling fewer than 2,000 are included, but are not shown separately.
3. Part-time staffs are included and counted as whole-timers.
4. The Department of Atomic Energy has been omitted.
5. Members of this Group are free from all restrictions.
6. Members of this Group are eligible for permission to engage in all political activities, national and local, except Parliamentary candidature, subject to a code of discretion.
7. The staff here shown will be subject to special rules, notably in respect of local political activities.
8. Members of this Group are debarred from engaging in national political activities but are free to seek permission to engage in local political activities.

AUTONOMY AND DELEGATION IN COUNTY GOVERNMENT

EMMELINE W. COHEN

Foreword by Professor WILLIAM A. ROBSON

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Pp. 81. Price 6s. (4s. 6d. to members of the Institute.)

One of the most noteworthy developments of English local government in recent years is the administrative machinery established under the Education Act, 1944, and the National Health Service Act, 1946. New *ad hoc* bodies, often covering the area of several existing local authorities, have been set up and have received delegated powers from the county councils, which are now ultimately responsible for these services. These new bodies were designed to ensure that local interest and participation could still play their part in the administration and development of services transferred from the district councils to county councils.

Although students of local government have for some time recognised the importance of these developments, very little factual information was available concerning the actual working of this form of delegation and the practical problems to which it gives rise. Miss Cohen's book is based on a field survey of the functioning in many parts of the country of delegation under the Education Act, 1944, and the National Health Service Act, 1946. It shows clearly the difficulties to which the new administrative devices give rise and how these problems are being overcome in those areas where goodwill and a spirit of co-operation exist between the county council and the body to which it has delegated certain of its powers.

ROYAL INSTITUTE OF PUBLIC ADMINISTRATION
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N

Reorganisation of Local Government in England and Wales

THE JOINT MEMORANDUM OF THE COUNTY COUNCILS ASSOCIATION AND THEIR THREE ASSOCIATED BODIES

Our Summer, 1953, issue contained the recommendations of representatives of the County Councils Association, Urban District Councils Association, Rural District Councils Association and the National Association of Parish Councils for consideration of their Associations. As a result of discussions within and between the four bodies concerned, proposals differing in certain respects from their representatives' recommendations were adopted by these bodies and published in January, 1954.

The significant differences between the proposals as finally adopted and the recommendations are :

(i) The observations contained in para. 8 (see p. 177 of Summer, 1953 issue) have been increased by the addition of :

(e) The making of a county scheme of delegation does not of itself confer any powers upon any county district council until such time as the county district council applies for and obtains delegated powers.

(Former sub-para. (e) now becomes (g)).

(f) In the allocation of functions between the first- and second-tier authorities, the Associations have naturally been guided by the fact that some functions are of their nature best carried out in some cases by large authorities and in other cases by smaller or small authorities. The Associations have accordingly had to decide what are county functions and what are county district functions. The size of population is often a factor which counts most in such a decision ; for example, an adequate "case load" warranting exclusive exercise of functions under the Children Act, 1948, could not be achieved with a population of only 10,000. But the different functions exercised by local authorities each have different minimum requirements which, so far as they are affected by population, will range from comparatively small to very large numbers. Area of administration, however, will often materially counteract the influence of the factor of population and dictate lower ranges of population where that factor bears upon the distribution of functions.

(h) It will be observed that the scheme provides that before the Minister of Housing and Local Government can submit to Parliament proposals for creating within the large areas of urban development what are for convenience technically called "delimited areas," he must confer with all the local authorities concerned not only about the delimitation of areas and their division into units of local government, but also about the functions which the first- and second-tier authorities are to administer. The scheme also provides that in relation to functions,

the final decision on the allocation of them between the authorities in each tier is to be a matter for the Minister, subject to the approval of Parliament. The scheme is, therefore, silent on the allocation of functions in delimited areas. In such areas, it is likely that the second-tier authorities would often be of considerable population. The considerations which led to the inclusion in Schedule III of some of the functions there mentioned will not then be generally applicable. Schedule III deals with functions of small and large county district councils, but in delimited areas not only will the lower range of population of county districts be higher than in the remainder of the country but, also, the population will be of high density. This calls for special consideration of the distribution of functions as between first- and second-tier authorities. It may be that some functions now proposed to be retained by the first- and second-tier authorities would be oppositely held in delimited areas.

(ii) The following new paragraph about the spirit and intention of schemes of delegation has been added :

9. The provisions in the scheme for delegation are of great importance. Their spirit and intention cannot be adequately expressed in the scheme itself nor is it practicable to set out in it the principles which should be applied, and the approach which there should be, to the allied questions of the making of delegation schemes and the designation of authorities which are to exercise delegated powers. The Associations are agreed that :

(a) The existence of Schedule III is equivalent to a declaration that the functions mentioned are capable of decentralisation and local exercise, organisation and administration by some county district councils ;

(b) Delegation should not be refused merely because it may result in some slight additional administrative cost. Increased local control and interest could properly be regarded as offsetting such extra cost ;

(c) A delegation scheme should be prepared though only one county district in a county is apparent as a possible claimant for some degree of delegated powers.

(iii) The last sentence in para. 9 (now para. 10) has been replaced by the following sentence :

The volume of support already expressed in favour of the principles of the scheme, however, justifies an immediate engagement upon an investigation of these matters and the Associations are, therefore, taking steps to that end.

(iv) The Appendix, now headed " Scheme for Reorganisation," contains the following important changes :

(a) A new para. 2 has been added :

2. Existing county boroughs shall not present a Bill to Parliament for the extension of their boundaries until an Act has been

passed to give effect to these proposals.

(b) The words "after an Act has been passed to give effect to these proposals for the reorganisation of local government," have been inserted before the phrase "be entitled to deposit a Bill in Parliament . . ." in old para. 4 (now para. 5).

(c) Old para. 5 dealing with the great conurbations has been deleted.

(d) Old para. 6 has been replaced by the following paragraph :

Review of counties

6. The Minister of Housing and Local Government, within a prescribed period, shall undertake a review of the counties in England and Wales.

Where, in the course of that review, it appears to him, firstly, that there are large areas of urban development embracing a substantial number of separate towns and, secondly, that it may be that special consideration should be given to those areas with a view to deciding whether they or any part or parts of them or of any adjacent areas should, for the purpose of their effective and convenient local government, be the subject of special statutory provision, he shall thereupon consult with local authorities who may be concerned, both within and without such areas, and for that purpose shall hold such public local inquiries as may be appropriate. Such consultation shall proceed on the basis that if special statutory provision is required there shall be established in the areas affected by it a two-tier form of local government and in the course of such consultation the Minister shall consider, discuss and have regard to representations from the local authorities concerned, as to not only the division if necessary of those areas into units of local government but also the administration by those units of the appropriate functions of local government.

After such consultation and/or inquiries, the Minister shall, if he is satisfied that there should be special statutory provision, submit to Parliament his proposals for the statutory delimitation of the areas within which the special statutory provision shall have effect. Such proposals may provide for only part of a county borough to be within the delimited area. After the boundaries of such areas have been delimited by statute the Minister shall review each such area on the basis that a two-tier form of local government shall be established. As a part of undertaking such a review the Minister shall hold appropriate public local inquiries. Before such public local inquiries are held the local authorities within the delimited area shall be entitled to submit to the Minister proposals not only for the division of the area, or part of it, into units of local government, but also for the allocation of functions as between the two tiers, the functions, if any, which are to be the subject of delegation from the authority or authorities in the first tier to authorities in the second tier, and the content of, and machinery for settling, delegation schemes. Such proposals so

submitted shall be considered at the public local inquiries. At the conclusion of the review the Minister shall submit for confirmation by Parliament his proposals for (a) the division of the delimited area into units of local government which, having regard to the functions proposed to be administered by them, are individually and collectively effective and convenient, and (b) the administration by those units of the appropriate functions of local government. In dividing any delimited area into units of local government the Minister should not be precluded from proposing that the council of a county, part of the area of which is within a delimited area, should be the authority to administer the functions of the first-tier authority within the delimited area.

Where, also, in the course of that review and within the period prescribed, notice is given by a council entitled under paragraph 4 (now 5) to deposit a Bill in Parliament, of their intention so to do, the Minister shall thereupon consult with local authorities who may be concerned and if he is of opinion that the review of the county in which the non-county borough or urban district is situated, or of any adjoining county, ought not to proceed until Parliament have considered the Bill to be deposited, his review of the county or counties concerned shall be deferred until the decision of Parliament has been given.

At the review of counties in which action is not taken under the provisions of the three immediately preceding sub-paragraphs, or of counties proving to be unaffected by the delimitation of the boundaries of an area subject to special statutory provision, or of any parts of counties remaining after such delimitation, or of counties in respect of which a review is proceeded with after deferment under the immediately preceding sub-paragraph, any local authority affected shall have a right to be heard. The Minister shall have the power by order of dividing, amalgamating, altering or extending their areas, so that the administrative counties (with the addition of any county boroughs abolished under paragraph 3 (now 4) and of the remaining part of any county borough where the other part of it has been included in a delimited area and where the remaining population is less than 75,000, and the omission of any new county borough to be created following a decision of Parliament under a Bill deposited within the prescribed period for the purposes of paragraph 4 (now 5)) will be individually and collectively effective and convenient units of local government.

The Minister shall, if the circumstances make that course desirable, conduct the consultations and/or inquiries to be undertaken by him with the aid, or through the medium, of Commissioners. It shall not be competent for the Minister, without the consent of the county councils affected, to make an order transferring any part of a Welsh county to an English county or county borough and *vice versa*, but in no case shall any such transfer have as a result a major alteration of the boundaries of any Welsh or English county. Further, if the Minister decides to appoint Commissioners under

this paragraph, special Commissioners shall be appointed for Wales, the majority of whom shall have a wide knowledge of Welsh local government affairs and at least one of whom shall speak the Welsh language.

An order of the Minister altering the boundaries of an existing administrative county shall be subject to special Parliamentary procedure.

When the boundaries of a county have been reviewed and either (a) an order has been made by the Minister and become operative, or (b) the Minister has decided not to make any such order, no alteration shall be made in the boundaries of such county, otherwise than by general Act of Parliament, for a period of fifteen years from the operative date of such order or the date of the Minister's decision, as the case may be.

(e) Paras. 11 and 12 have been reworded as follows :

Inclusion of functions in scheme of delegation

11. A decision of a joint committee that a particular function shall or shall not be the subject of the scheme of delegation shall forthwith be communicated to the county council and to each county district council in the administrative county (hereinafter called "the councils concerned"). Any council concerned aggrieved by the decision shall be entitled to submit, within a prescribed time, representations to the appropriate Minister (and shall thereupon so notify the councils concerned) who, after receiving the observations of the joint committee, shall issue to them his decision which shall be deemed to be their decision.

Degrees of delegation

12. A scheme may provide for varying degrees of delegation to county district councils to be designated under paragraph 20.

(f) The following sub-paragraph has been inserted in para. 20 after the opening sub-para. :

When the application for designation of a county district council is under consideration, the administrative arrangements of the county district council as they exist and as the county district council will alter them if delegation is given, and the administrative arrangements of the county council as they would be in the remainder of the county if that application, and any similar applications, for delegation were granted, will be relevant, but in the case of the county council those administrative arrangements will, by themselves, be a deciding factor only if the giving of the delegation asked for would result in a good and efficient service not being practicable in the remainder of the county.

(g) There have been a few comparatively minor changes in the Schedules I, II and III on the distribution and delegation of functions. The new Schedules are as follows.

PUBLIC ADMINISTRATION

SCHEDULE I

Functions to be the exclusive responsibility of county councils subject to a general power of delegation.

- (a) Approved schools and remand homes.
 - Coroners.
 - Diseases of animals.
 - Fire brigades.
 - Health Services—ambulance and mental health.
 - Highways—classified and unclassified roads and private street works in rural districts.
 - Highways—cleansing and watering in rural districts.
 - Highways—county bridges.
 - Libraries in rural districts (see Schedules II and III).
 - Local taxation, Road Fund and other licences now issued by county councils.
 - National Parks Act—access to the countryside and nature conservation—other than, except in rural districts, footpath functions under National Parks and Access to the Countryside Act, sections 27 and 29-34.
 - Police (through standing joint committees).
 - Registration of births, deaths and marriages.
 - Smallholdings.
 - (b) Town and country planning—preparation and revision of development plan.
 - (a) Welfare—blind persons ; children and young persons ; aged people (in relation to hostels and homes) ; aged people (section 31, National Assistance Act) ; and the handicapped.
- All other services now administered by county councils except as otherwise provided for by Schedules II and III.

Notes to Schedule I

- (a) It will often be convenient for the management of institutions to be delegated under paragraph 8 (a).
- (b) After the broad outlines of the development plan have been settled and approved the infilling is to be a function delegatable to county district councils (see Schedule III).

SCHEDULE II

Functions to be the exclusive responsibility of non-county borough councils and urban district councils and also, subject to notes (a), (b) and (c) below, of rural district and parish councils.

- Art galleries and museums.
- (b) Allotments.
- (b) Baths and washhouses.
- (a) Burial grounds.
- (c) Car parks.
- (b) Cemeteries.
- Civic restaurants.
- Cleansing and watering of streets (except in rural districts).
- (c) Community centres (other than as local education authority).
- Crematoria.

- (c) Entertainments—provision of.
- (d) Food and drugs (see also Schedule III).
Footpath functions under National Parks and Access to the Countryside Act (sections 27 and 29-34) except in rural districts.
Housing and slum clearance.
Highways : unclassified roads and bridges thereon and private street works (except in rural districts).
- (c) Information service.
- (e) Libraries in boroughs and urban districts (see also Schedules I and III).
Markets, abattoirs and cold stores.
Milk and dairies.
Notification of diseases.
Nuisances and sanitary matters.
- (b) Physical Training and Recreation Act, 1937 (other than as local education authority).
Prevention of pests.
Rates collection.
Refuse collection and disposal.
- (f) Sewerage and sewage disposal.
Shops Acts.
Small Dwellings Acquisition Acts.
- (b) Street lighting.
- (f) Water supply.
Welfare—aged people (section 31, National Assistance Act).

Services at present administered by non-county boroughs or urban district or rural district councils or parish councils or parish meetings except as otherwise provided for by this Schedule to continue to be so administered.

Notes to Schedule II

(a), (b), (c) In the administrative areas of rural district councils, the functions marked (a) are to be the exclusive responsibility of parish councils ; in relation to functions marked (b), rural district councils and parish councils are to have concurrent powers ; in relation to functions marked (c), parish councils may appeal against refusals of district councils to delegate.

(d) The Urban District Councils Association consider this function should appear in this Schedule for boroughs and urban districts and the Rural District Councils Association are of the opinion that, if the function is to be exercised by borough and urban district councils, it should be exercised also by rural district councils.

(e) The Urban District Councils Association consider this function should appear in this Schedule for boroughs and urban districts.

(f) There will have to be suitable saving clauses for sewage disposal and water schemes such as those operated by the Middlesex and Anglesey County Councils.

SCHEDULE III

Functions to be the primary responsibility of county councils, but the subject of delegation to non-county borough councils, urban district councils and rural district councils to the extent (if any) and in the manner provided for by delegation schemes.

Civil defence.

Community centres, as local education authority.

PUBLIC ADMINISTRATION

Education—primary, secondary and further.
Fertilisers and feeding stuffs.

- (a) Food and drugs (see also Schedule II).
Health Services under National Health Service Act, 1946 (other than ambulances and mental health).
Highways—classified roads in boroughs and urban districts.
- (b) Libraries (except in rural districts).
Licensing of theatres, cinemas, etc.
Physical Training and Recreation Act, 1937, as local education authority.
- (c) Town and country planning (except preparation and revision of development plan).
Weights and measures.

Notes to Schedule III

(a) The County Councils Association, and the Rural District Councils Association subject to the reservation at the foot of Schedule II, consider this function should appear in this Schedule.

(b) The County Councils Association consider this function should appear in this Schedule for boroughs and urban districts.

(c) After the broad outlines of the development plan have been settled and approved the infilling is to be a function delegatable to county district councils.

MEETING BETWEEN THE MINISTER AND THE C.C.A., ETC.

On the 10th February, 1954, the representatives of the four bodies met the Minister of Housing and Local Government and three of his senior officials. The following is an official note of the meeting, with a list of those present :

The Minister of Housing and Local Government, Mr. Harold Macmillan.

County Councils Association :

Sir George Mowbray, Sir Herbert Shiner, Mr. J. Chuter Ede, C.H., M.P., Sir Charles Chute, Sir Arthur Hobhouse, Sir Cecil Oakes, Mr. G. A. Pargiter, M.P., Sir Robert Pattinson, Mr. W. L. Dacey.

Urban District Councils Association :

Mr. J. Bulman, Sir Robert V. Grimston, Bt., M.P., Mr. G. S. Lindgren, M.P., Mr. R. Howard Moore, Mr. A. S. Mays, O.B.E., Councillor Horace Waterhouse, Mr. H. S. Haslam, Mr. Dymond Hocking.

Rural District Councils Association :

Mr. Arthur Colegate, M.P., Mr. W. R. Allerton, the Rev. W. Marsden, Mr. F. B. Young, Mr. Neville Hobson, the Rev. R. A. Giles, Captain M. R. Bouguet, Mr. J. J. McIntyre.

National Association of Parish Councils :

Mr. A. N. Hillier, Mr. M. S. Pease, Mr. C. Arnold-Baker.

Ministry of Housing and Local Government :

Sir Thomas Sheepshanks, K.C.B., K.B.E., Dame Evelyn Sharp, D.B.E., Mr. J. D. Jones.

REORGANISATION OF LOCAL GOVERNMENT IN ENGLAND AND WALES

The Minister welcomed the deputation and expressed his special pleasure at the presence of Mr. Chuter Ede.

Sir George Mowbray, on behalf of the four Associations, formally presented the Minister with a copy of the Memorandum on the Reorganisation of Local Government in England and Wales as adopted by the C.C.A., U.D.C.A., R.D.C.A. and N.A.P.C.

On behalf of the C.C.A., he then outlined the main features of the scheme, which, he said, had the support of counties, large and small alike. It continued the present satisfactory system of two-tier structure in the administrative counties and one-tier elsewhere; some small county boroughs would be brought within the two-tier system, but it provided also means whereby some existing authorities could become county boroughs; in the conurbations the proposals would go some way towards reducing the area of conflict between county boroughs and county councils, and would set up some authorities having some similarity to the "new county borough" proposed by the Boundary Commission; as regards the delegation proposals, these contained a procedure new to local government in that the extents of delegation for a particular function would first be decided on merits by a joint committee of members of the county council and the county district councils and not in relation to a particular local authority—in this connection he emphasised the special importance of Schedule III of the memorandum. He referred also to the moratorium of fifteen years on further alterations of boundaries after the general review.

He asked for early legislation to give effect to the agreement reached between the Associations and that in the meantime there should be no legislation whereby the status or boundaries of authorities were altered. Such changes, he said, could not be required on the ground of immediate necessity, and could not but gravely prejudice an effective reorganisation.

Mr. Bulman, speaking for the U.D.C.A., said that the scheme had the overwhelming support of the urban district councils. It was one of reorganisation and not of reform, and this was right, since the existing local government structure was sound and healthy. He said that the two-tier system is the best and the only practicable system for a large part of the country, though some county boroughs there are and some county boroughs there should be in the future. He stressed the value which his Association placed on the provisions about delegation of Schedule III functions, and that delegation was to be direct to the county district councils directly elected by the ratepayers and not to selected or nominated bodies. The fact that the proposals found favour with urban district councils suggested to him that the non-county boroughs would find there was little divergence of view between them and the urban districts. He said that the Associations were already considering the question of local government finance, but that in their view it was proper that structure should be settled first. He emphasised the need for a period in which local authorities could be free from the threat of expansion by county boroughs.

Mr. Allerton, on behalf of the R.D.C.A., said that the scheme had been approved at its annual meeting. He drew particular attention to the proposal that there should be no fixed minimum population for county districts; the acid test, he said, should be whether or not they were efficient and

convenient units of local government. He said that the idea of organising the country in one-tier units would make for neither efficient nor convenient units.

Mr. Pease, for the N.A.P.C., said that the scheme had been very thoroughly discussed by all the fifty-six county associations of parish councils before it was approved by the national Association. Parish councils particularly welcomed the emphasis laid on consultation and he asked for more consultation with the parish councils on local matters.

The Minister, in reply, said this was an important, if not a unique occasion. He was gratified at the measure of agreement reached among the Associations represented. He agreed that there was too much talk about the "reform" of local government; this suggested grave weaknesses which in his view, were not present, and the emphasis should be on redeployment to make what was good better still.

He said that he could hardly pay sufficient tribute to the efforts of local government, which was still largely an unpaid service; in particular, last year's housing completions would not have been possible without the co-operation and efficiency of local authorities; this was true, also, of their other functions.

He regretted that the A.M.C., representing about half the population of the country, were not among the Associations represented. Nevertheless, he hoped still that it would be possible for a more general measure of agreement to be reached, and he proposed to send the memorandum to the A.M.C. and ask formally for their views.

It was difficult, he said, to make any statement about the prospects of legislation. The important thing was to press forward with the discussion and to see whether it was possible to get a scheme which would command at least a reasonable degree of general support.

The Minister then mentioned a few specific points:

(a) The relation of finance to structure; he asked whether these two questions were not a little more interlocked than Mr. Bulman had suggested.

(b) He asked about the justification for the two minimum populations suggested for county boroughs (75,000 for existing and 100,000 for new).

(c) As regards the conurbations, he asked whether it was intended that county boroughs like Manchester and Birmingham should become second-tier authorities within the new structure. He thought the proposals in the memorandum relating to conurbations would require a lot of detailed work to be done on them since this was the hub of the whole scheme.

In reply, Mr. Chuter Ede, Sir George Mowbray, Mr. Bulman and Mr. Dacey outlined the reasons for these particular proposals and explained the way in which functions might be distributed within the conurbation where it was thought that the proposals would satisfy the aspirations of many non-county boroughs and large urban districts.

In conclusion, it was agreed that the Minister should ask the A.M.C. for their views on the scheme and that the four Associations should then have an opportunity of making further comments.

VIEWS OF THE ASSOCIATION OF MUNICIPAL CORPORATIONS

On the 2nd March, the Minister sent a copy of the proposals of the C.C.A., and the above note of the meeting to the Association of Municipal Corporations and asked for their views as soon as possible. The A.M.C. replied on the 7th March, as follows :

Your letter of the 2nd March, together with the note of the meeting which the Minister had on the 10th February with representatives of the other local authority Associations, have been placed before the appropriate Sub-Committee of this Association. They have asked me to thank the Minister for seeking the views of the Association and to say that as soon as possible the Association will submit to the Minister their views on the joint memorandum. It is hoped that the Minister will appreciate that not until now have the Association had the opportunity of considering the proposals of the other Associations.

The Committee felt that it might be of assistance to the Minister if they informed him of their immediate reactions to the joint memorandum :

(1) It seems calculated to perpetuate the conflict between county boroughs and county councils in so far as it reduces the status of some county boroughs and impedes the legitimate claims of non-county boroughs and urban districts, either alone or in combination, to expand or to become county boroughs.

(2) It dismisses finance as unessential to the consideration of structure and functions, notwithstanding the fact that the financial consequence of the extension or creation of county boroughs upon the administration of the counties has been one of the main arguments used by the counties against such proposals.

(3) It proposes machinery of a most complicated and cumbersome type to continue a system of delegation, which, in the experience of the non-county boroughs, has produced frustration, friction and delay. We consider that the direct conferment of powers is essential.

(4) It continues the artificial severance of urban from rural communities.

(5) It takes account merely of existing functions exercised by local authorities and dismisses as unessential the possible assumption by local authorities of any functions now exercised by the central Government or any other body.

I am also to request that you will inform the Minister that this Association is preparing a memorandum setting out their own views on the reorganisation of local government, which they hope to submit to the Minister before the end of May.

Subsequently, at a special meeting held on the 29th April, 1954, the Association of Municipal Corporations approved a report dealing with reorganisation and also their views on the joint memorandum of the County Councils Association and the three other bodies. The report is as follows (see also PUBLIC ADMINISTRATION, Autumn, 1953, p. 285) :

1. There has been no general reorganisation of English local government since the Local Government Acts of 1888 and 1894. Whilst the local government structure has, for the most part, remained static since that time, there have been dynamic changes in other ways, the total result of which has been enormous: in the distribution of population; in the services administered, some having been added, some removed, and some transformed in the means and speed of transport; in technical methods and equipment; and in the conception of local authorities as instruments of social policy.

2. The Association consider that no mere adjustment of existing functions and areas is adequate to meet the changes brought about by these far-reaching developments in the social, political, technical and economic aspects of the life of the nation. They consider that the structure, functions and finance of local authorities must all be examined, and examined together, for they are inseparable.

3. Until it has been decided what kind of functions local authorities are to administer in future, and how the authorities are to be financed, little progress can be made in determining the most suitable areas for the administration of those functions. The Association recall that on several occasions functions have been taken away on the plea that existing local authorities were no longer suitable instruments for their administration. It remains to be seen whether, given suitable areas and structure, some or all of these functions will be restored.* The association are convinced that many of them should be.

4. It is the belief of the Association that the reorganisation of local government must proceed on certain principles. They have not presumed to prepare a blueprint for the country, and are of the opinion that these principles can only be applied to local conditions after those conditions have been considered and local representations heard. They consider that each local government area should be so constituted as to ensure:

(a) The efficient administration of local government services for the well-being of the people;

(b) The provision of a unit which is economical and suited to the services allocated;

(c) The specialisation of institutions, such as further education establishments, where this would be advantageous;

(d) The allocation of financial resources to the authority, whether derived from rates, Exchequer contributions or other revenues, which are adequate to meet the reasonable expenditure of the authority without causing an undue financial burden upon the ratepayers, while at the same time ensuring administrative and technical staffs of the calibre required by the service;

(e) The services of suitable elected representatives from all sections of the community, meeting at a convenient centre;

(f) The provision of units sufficiently compact to allow public opinion to exercise due influence upon the elected representatives.

*The changes in the functions of local authorities since 1944 are set out in the appendix (See PUBLIC ADMINISTRATION, Autumn, 1953, p. 289.)

5. The simpler the structure, the more likely it is to be understood and to work well. Powers should be conferred directly upon the authority actually administering the service and exercised as of right, and one body of elected representatives should be accountable to the electorate. Responsibility should be one and undivided; and this means that the authority that raises revenue should also be entrusted with its expenditure. The Association regard these as maxims confirmed by experience to which any system of local government should conform. It is for these reasons that, subject to what is said in para. 12, they consider the all-purpose authority—the one-tier system—to be the simplest, the most economical, the most democratic and the best.

6. The artificial severance of urban and rural communities which at present exists in our local government system should not be perpetuated. The Association do not believe that, under present-day conditions, any scheme of reorganisation which continues this unsatisfactory position is likely to succeed. It is often said that the combination of rural and urban areas would encourage the urban sprawl, but this is to ignore the existence of current planning powers, which can and should prevent such a result. The existence of administrative barriers does not prevent the natural flow of population and associated industrial development. What such barriers do is to render more difficult the provision of the necessary housing and other consequential services, thereby adding to the administrative complications and the cost. It is increasingly evident that the financial resources of urban areas are essential to rural areas if they are to provide the requisite services for their rapidly increasing populations. Many municipal boroughs are the centres of the communal life of much larger areas than those within their administrative boundaries.

7. The two-tier system, as it now exists in this country, has been found, with its divided responsibility, to lead to frustration, friction and delay. The lengths to which it can depart from the ideal of simplicity can be seen in the memorandum of the other associations of local authorities of January, 1954; with its reservations and forbidding mass of rules and schedules on the subject of delegation and provision for inquiries and appeals to higher authority. And, even with all this portentous machinery, the operation of delegation would still vary from county to county and district to district within the county according to the varying whims and prejudices of county councils. The system also adds greatly to the cost of administration. Few electors would ever have the opportunity to understand schemes of this kind, and this fact alone is sufficient to condemn the programme proposed in the memorandum.

8. The Association see no reason why the same basic principles which they suggest should be applied to the rest of the country should not also be applied to those areas which are known as conurbations, with such limited modifications as the extent of the areas may make necessary in some cases. Community of interest is most marked in many large, densely populated areas, and the Association do not believe that they present such a serious difficulty as is sometimes suggested.

9. There are some services (limited in number) which might not fit into the general pattern of any conceivable scheme of areas suitable for the administration of the generality of local government services. The Association have in mind technical colleges, main drainage and sewage disposal and main water supplies. For services such as these, joint committees representing the authorities concerned may be necessary. These joint committees should be confined in their powers as a general rule to planning or co-ordinating functions, without large staffs, and leaving actual administration to each local authority within its own area. Such committees would consist of members of the several constituent authorities, instead of their membership being almost wholly different, as in the present two-tier system. The Association regard it as most important that as far as possible the executive power should rest with the local authority.

10. The need for joint committees, however, would be limited in scope. The Association prefer that, wherever it is desirable and possible that a service or an institution should serve several areas, it should be owned and managed by one of the units, and should serve the needs of the other areas on a contractual basis, as is indeed the case in many instances at present. The evils of divided responsibility and additional administrative costs would thereby be reduced.

11. The Association do not favour or consider it necessary that each area should have a standard figure of population. They have thought in terms of 50,000 as a unit of a suitable minimum size for all-purposes government, but they would not like this figure to be regarded as a rigid limit regardless of the local circumstances. The relation of the countryside to market town and facilities for transport and trade would be relevant in drawing the boundaries of local government areas. Furthermore, tradition and sentiment are entitled to respect. Most counties and towns—whether boroughs or not—have a long history. Most rural district council areas and many urban district council areas, are comparatively modern creations without the same degree of historical background and traditional appeal. Old chartered boroughs would, in many cases, serve as the centre of the new unit, and the borough traditions and offices should be preserved and shared by the larger areas. Wherever possible, the boundaries of new areas should conform with existing county boundaries, though there would certainly be some instances in which sentiment would have to yield to practical considerations, as is the case in some areas at present.

12. While the Association maintain their preference for the all-purposes authority and their belief, for the reasons already stated, that it is the simplest and best form of local government, they accept the view that upon local investigation it will probably be found necessary, for various reasons, in some parts of the country to have a form of two-tier government. As regards such areas, the Association would regard it as vital that the functions which are to be performed by each of the tiers should be defined by statute in advance. They regard this as essential to the success of any such proposal. Any other method would lead to a perpetuation of the difficulties prescribed in para. 7. The views of the Association on the existing artificial severance of urban and rural areas apply with equal force. They consider that there is an un-

answerable case for the merging of urban and rural areas into suitable units for the administration of the services allocated to them, and, when a borough and a district are merged, for the new area to have the status of a borough. As far as possible, executive functions should be conferred on the lower tier and the activities of the upper tier should be confined to planning and co-ordination.

13. By one or other of the methods indicated above, any difficulties which might arise in the application of the general principles referred to in para. 4 could be avoided. There might well prove to be some cases calling for special treatment; these would have to be examined on their merits.

14. As a necessary part of any scheme of reorganisation, the whole question of the financial resources of local authorities must be reconsidered with the object of ensuring that the reorganised local authorities are capable, financially, of bearing the burdens placed upon them without undue dependence upon Government grants. The Association regard this as a condition precedent to any reorganisation. It is the limited financial resources of the counties which have prevented the legitimate creation and expansion of county boroughs.

15. The Association wish to record approval of the idea embodied in the present parish council system. They believe that, in areas of limited population, there is scope for giving the people who live in villages and similar small communities certain duties in relation to their own local needs. Even in urban areas experiments are being made, and might usefully be continued, in giving limited responsibilities to community units. Some authorities have, it is understood, made experiments on housing estates in giving a measure of local management of certain defined services. The Association believe that this is all to the good, and they do not regard the exercise of limited functions in this way as incompatible with their views on one-tier government.

16. The Association consider that, without prejudice to their views on the larger issues of reorganisation, it is most important that the Government should take immediate steps to lessen the difficulties which have arisen in local government due to (i) the inability of county boroughs, with a legitimate case for expansion, to expand merely because of the alleged financial effect upon the adjoining county council areas, and (ii) the failure to give county borough powers to those non-county borough areas which by their size and experience can, either in their present administrative form or by combination with adjoining areas, claim county borough status.

17. The Association think that the first step towards any scheme of reorganisation should be the preparation by the Ministry of Housing and Local Government of a broad plan to give effect to the views expressed in the preceding paragraphs, supported by the requisite data as to areas, population and rateable value. Such proposals could, if so thought fit, be issued in the first instance as a White Paper for the comments of interested parties. In the light of those comments, a final scheme could be prepared for submission to Parliament. Such a plan should not, in the view of the Association, settle the precise boundaries of each area. They think that

these should be settled by the Minister after local inquiry, carried out by inspectors of the Ministry, at which interested parties would have the right to be heard. The Association consider that no local authority should be amalgamated and no borough lose its status without first having the fullest opportunity of stating its case. The findings of the Minister should be subject to confirmation by Parliament.

18. The main things the Association seek to secure by the foregoing proposals and which in their view are fundamental to any worthwhile system of local government are :

(i) The creation of authorities sufficient in size and with financial resources adequate to enable each authority to discharge all those functions which are suitable for administration by local authorities, and to maintain easy contact with the inhabitants of each area ;

(ii) Direct accountability of the local authorities to the electorate, and direct access to the appropriate departments of State ;

(iii) Simplification of the administrative structure and reduction in the cost of administration ;

(iv) Flexibility in the application of the main principles to local circumstances.

The Association believe that these aims can be achieved, to the lasting benefit of effective local government, on the basis outlined in this report.

A.M.C. VIEWS ON THE JOINT MEMORANDUM

As regards the views expressed by the C.C.A., etc., the A.M.C. made the following general comments :

Having regard to the contents of the first four paragraphs of the joint memorandum, we consider it desirable to point out that discussions with representatives of the County Councils Association, the Urban District Councils Association, and the Rural District Councils Association, were initiated by the Association of Municipal Corporations in 1943, and proceeded intermittently until the 12th March, 1953. They were conducted on a confidential basis and our comments are therefore limited to the contents of the joint memorandum, subject to the observation that we regard para. 3 of the joint memorandum as incomplete and misleading.

At a meeting with the three Associations on 12th March, 1953, a memorandum prepared by representatives of those Associations and the National Association of Parish Councils was placed before our representatives, who expressed a desire to bring the report before the Council of the Association. They were informed that, as the memorandum had not yet been considered or approved by the executive bodies of the other Associations, it was not yet available for consideration by the Council of this Association. Since that date we have not been asked by the other Associations to consider their proposals, although we clearly understood that their memorandum would be submitted to us when they were in a position to do so.

At the outset we think it necessary to emphasise our view that the joint memorandum, so far from exemplifying "an approach free from preconcep-

tions and directed objectively to the creation of effective and convenient units of local government," avoids the major problems confronting local government at the present time and conceals behind a curtain of elaborate procedural arrangements an almost complete absence of constructive proposals for the strengthening of local government. Without adducing any criticism of the single-tier system, which is generally considered to be the most satisfactory form of local government, it apparently seeks to reduce the status of at least forty-one county boroughs, including Birmingham, Manchester and Leeds. In the distribution of functions within the two-tier system, contained in the schedules to the scheme, it confers no functions on lower-tier authorities which they do not already possess, but would confer on county councils exclusive responsibility for several services for which certain non-county boroughs are at present responsible within their areas. Furthermore, the joint memorandum :

(i) Fails to meet the immediate needs of those county boroughs which are legitimately entitled to extend their boundaries ;

(ii) Fails to meet the immediate needs of the non-county boroughs which are legitimately entitled, either alone or in combination with their neighbours, to have county borough powers ; and

(iii) Does nothing to secure that those services which should be administered by local authorities in closest touch with the people, e.g., the present personal health services, shall be so administered.

In short, the joint memorandum merely provides for the aggrandisement of county councils at the expense of the boroughs, including in particular those county boroughs whose status it would reduce without any inquiry into their capacity to exist as single-tier units, and those non-county boroughs which alone or with neighbours have equal capacity, and for the perpetuation of a two-tier system under which the second-tier unit is subordinate to the county council and so limited in size and resources as to be unable to undertake many of the services which could better be performed by the local authority in closest touch with the people.

We cannot accept the contents of the joint memorandum as a satisfactory solution of the present difficulties of local government. It does no more than offer suggestions for the readjustment of *existing* areas to meet the requirements of *existing* functions and perpetuates the frustrations of the *existing* system. It gives no consideration to what functions an elected council should perform and what a suitable unit of local government should be to perform those functions. It seeks to maintain the existing unsatisfactory structure of county government and the continuance of areas which, in many cases, were constituted to meet conditions existing over fifty years ago. It ignores the changes in the functions of local authorities which have taken place since 1944, many of which have been attributed to the unsuitability of some of the existing units of local government. We must also record that the growing complications and disharmony arising from the forms of delegation and devolution of powers now in use have, over the past few years, helped to produce a feeling of frustration without parallel in the history of local government.

We consider that functions, areas and finance must be considered at

one and the same time, and, in our view, it is quite useless to consider one without the others. Furthermore, there are functions administered by central Government departments, either directly or through nominated boards, which should be administered by locally elected authorities, and there are also functions administered by counties which, in our view, should be administered by local authorities in more intimate touch with the electorate. We also feel that the problem of local authority finance includes not only the question of resources, but also the relationship between central and local government.

Any proposals for the reorganisation of local government should also simplify the existing structure. The joint memorandum, in our view, does just the opposite, as a reference to paras. 8, 9, 12 and 20 of the Scheme for Reorganisation and the schedules thereto (see detailed comments below) on the subject of delegation and county council supervision makes clear.

The joint memorandum also seeks to perpetuate the existing artificial severance of urban and rural communities.

We do not believe that under present-day conditions any scheme of reorganisation which continues this unsatisfactory position is likely to succeed.

The first detailed comments on the original draft of the Joint Memorandum were given in the Autumn, 1953, issue of PUBLIC ADMINISTRATION at pp. 289-91. In the final version the A.M.C. have modified their comments in the following ways :

(a) The following sentence has been added to their comment on para. 1 : " We accept the area of parish councils being retained in rural areas."

(b) The A.M.C. have the following comments on the words inserted in para. 2 to the effect that county boroughs should not be able to promote a Bill for expansion of boundaries until an Act has been passed giving effect to the reorganisation proposals : " This means still more delay. The legitimate expansion of county boroughs, which for the last twenty-five years or more has been prevented on the allegation that the administration of the adjoining counties would be adversely affected, is to be further postponed until the scheme of the four Associations is approved by Parliament. It should be noted that, while during these twenty-five years the adverse financial effect upon the counties has been the main contention against extensions, the other Associations do not regard finance as an essential element in the consideration of functions and areas (see para. 9 of report). Apparently, an existing county borough with a population of less than 75,000 is not to be permitted to expand before its further status is determined."

(c) Their comments on old paras. 2 and 3 (new paras. 3 and 4) have been slightly strengthened by the insertion of a new second sentence : " In fact there is no criticism of one-tier administration " ; and by the substitution of " reject " for " dislike " in the sentence referring to the proposed minimum of 75,000.

(d) In place of the former comments on old paras. 5 and 6 there are the following new comments :

Conurbations and adjacent areas

This means that all conurbations will be administered on a two-tier basis ; and the following county boroughs will apparently lose their status (in addition to those listed on p. 290 of the Autumn, 1953, issue of PUBLIC ADMINISTRATION) :

Birmingham	Leeds	Smethwick
Bolton	Manchester	South Shields
Bradford	Newcastle upon Tyne	Stockport
Croydon	Oldham	Walsall
East Ham	Rochdale	West Bromwich
Gateshead	Salford	West Ham
Halifax	St. Helens	Wolverhampton
Huddersfield		

There may well be others.

We see no reason why areas within conurbations should either have taken away from them or be denied the advantages of "all-purpose" government. We believe that "all-purpose" government in the main is their desire. It may be that in certain conurbations some functions may be found to be better planned (and, perhaps, administered) over areas comprising a number of local authorities, but if this should be found to be the case, any arrangements on these lines should be regarded as exceptions, made for special reasons, to the general rule that local authorities should themselves exercise all local government functions in their own areas. The whole procedure is most complicated and unlikely to be understood by the ordinary elector.

When action is taken under this paragraph and para. 5, the whole procedure comes to a standstill. (*Note*.—This refers to the proposal in the Joint Memorandum that the Minister be empowered to defer a review of any county if, after consultation with the local authorities concerned, he is of the opinion that Parliament should first decide upon the Private Bill before it affecting the area.)

It should be noted that, once the Minister has reviewed the county boundaries, no county borough extension and no conferment of county borough status can take place for a period of fifteen years. We regard this as quite unrealistic.

(e) The chief comment on the Schedules and scheme of delegation has disappeared.

INTRODUCTION TO FRENCH LOCAL GOVERNMENT

By BRIAN CHAPMAN

Pp. 238. Price 18s. (13/6 to members of the Institute of Public Administration ordering direct from the Institute).

THIS book is the first post-war study in either French or English of the institutions and law relating to French local government, and on the current practice of French local administration. It is essentially a study in political science, and not in law, and therefore, although the basic laws governing local institutions are dealt with in some detail, the aim is to give a living picture of those institutions at work.

After a preliminary account of the local institutions and personalities to be encountered, there are special chapters devoted to local government finance, the administrative courts, tutelage, and the administration of Paris.

The book assumes no previous knowledge of the subject. It should be of the greatest interest to all those who have a professional or educational interest in local government. By comparison it illuminates our own attempts to solve the contemporary problem of combining central efficiency with local democracy. The book will be of obvious interest to all students of French government and of comparative public institutions.

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BOOK REVIEWS

Administration in Foreign Affairs

By ARTHUR W. MACMAHON (University of Alabama Press), 1953. 275 pages. \$3.50.

PROFESSOR MACMAHON'S book is an expansion of lectures given at the University of Alabama and sponsored by the Southern Regional Training Program in Public Administration. Although it concentrates upon American experience and needs in this important field, the book should have the widest interest for all concerned with public administration. It would indeed be admirable, as Professor Macmahon realises, to have a comparative study of the way in which the problem of the expanding international sector of administration is dealt with by other Great Powers. Unfortunately, the material for this is probably much less abundant. We are particularly fortunate, as students, in the dependence of the various branches of executive government in the U.S.A. upon legislative enactment and upon annual appropriations. Whatever else may be thought of the close watch and control exercised by Congress over American departments—and Professor Macmahon is not unaware of the political difficulties involved—it does have the great benefit of providing a batch of material from which reasonable deductions can be drawn.

The first chapter deals with the central problem of how decisions are to be taken in matters of foreign policy with due regard both to their military implications and to their impact upon the domestic economy. Professor Macmahon brings into proper focus the particularly strong position which the Joint Chiefs of Staff Organisation possesses because of the fact that the American respect for expertise extends to the military, but hardly to civilian, specialists on foreign affairs. In this chapter he is of course telling an unfinished story, and it would be interesting to know whether he believes that as a result of President Eisenhower's rather careful attention to administrative problems the Cabinet is not being revived to some extent as a policy-making instrument rather than the National Security Council which forms one of Professor Macmahon's central topics. He then proceeds to discuss, in the next chapter, the whole question of whether the responsibilities which the United States has acquired

overseas in such matters as economic and technical aid should be brought in wholly under the wing of an enlarged State Department, or whether there is anything to be said for the greater flexibility which is allegedly available in independent instruments. The same problem obviously arises in the case of the information services. Once again, Professor Macmahon shows a fine historical sense in appreciating how the shifting of emphasis from economic to military aid has affected the administrative solutions designed to meet these problems. In his third chapter he goes into greater detail in examining what happens to American operations abroad when so many departments of American government are involved in them. How far should co-ordination be through the head of the mission, that is normally the ambassador on the spot, rather than through Washington? He also explores the question of regionalisation, and has a particularly interesting section on the administrative implications for the United States of the movement towards European unity which its policies have been directed towards encouraging. The last two chapters dealing with inter-departmental co-ordination at home and with the recruitment of personnel for all branches of foreign operations cover more familiar ground, but on these, too, much that is said will be of interest.

The outstanding merit of this book is perhaps the author's realisation of the inseparability of policy from administrative structure. He does not go in for the pretentious idea that there is a general theory of administration, nor does he believe that in practice the ideal structure can ever be obtained. "Good habits of work" are the essential. On the other hand, he is not disposed, as are some so-called practical men, to ignore the desirability of clear-cut lines of responsibility and of a proper demarcation of functions. One's only regret is the brevity of the book, which for the foreign student at any rate would have been still more illuminating if Professor Macmahon had allowed himself greater room for illustration.

MAX BELOFF.

Public Administration (Third Edition)

By JOHN M. PFIFFNER and R. VANCE PRESTHUS (Ronald Press, New York), 1953.
Pp. viii + 626. \$6.00.

*Ideas and Issues in Public Administration:
A Book of Readings*

Edited by DWIGHT WALDO (McGraw-Hill), 1953. Pp. x + 462. 44s.

THE Americans bring great resources to bear on the problems of research and teaching in public administration, and it is interesting and stimulating to watch what is going on, even though conditions in Britain are so different that it is difficult to imitate or even to adapt American methods.

The first of the books here reviewed is in form a typical American text-book, designed as the main reading material for a general course in public administration. It is the third edition of a book first published in 1935, and revised in 1946; the new edition embodies the results of careful thought about the problem of combining the old formal and legal approach to the study of administration with developments stimulated by practical experience and academic research in recent years.

The movement of administrative history is plain if one looks at the opening chapter in successive editions. The first edition came out in 1935, when the New Deal was still new, and it begins with a rather timid defence of the place of "technical administrative processes" in "the new public administration." In 1946 the first chapter is still headed "The New Public Administration," but the first sentence is bolder: "The tremendous expansion of governmental activities is commonplace knowledge." By 1953 all trace of apology has gone. Chapter I has become "Part I: Public Administration in the Modern State," and it begins bluntly: "Big government is the hallmark of the modern state."

If anything, the case is now overstated: but the current of events has made this change of attitude inevitable. There have been equally drastic changes in academic language and in implicit political philosophy. The preface explains that "we have tried to emphasise the dynamic nature of American public administration and particularly its reciprocal relationship with the democratic society which it serves." This is a long way from the

corresponding passage of the first edition: "Administration is the carrying into effect of the will of the community once it has been made clear by political processes." Again, the first edition has a section entitled "Public Relations," which begins with a chapter on "The Public and its Servants"; in 1953 the old section is replaced by one headed "Administrative Responsibility," and the emphasis is now on the public interest, not the public will. For instance: "It is now clear that the official plays a vital role in initiating as well as executing public policy, because of his technical knowledge and the discretion which comes with the increased scope of governmental activity." "Practical necessity demands that the public rely mainly upon the moral standards of public servants for public administration in the public interest." This is a long way from "a government of laws and not of men." It is equally far from the idea that policy is the command of a determinate human superior, and that the most important thing in administration is proper organisation of the hierarchy of command; the "operative word" is now not "command," but "communication."

With these changes in theory go changes in content due to the impact of developing academic disciplines. All three editions pay adequate attention to the place of history and the place of law: but the emphasis on them has diminished relatively, because of the growing importance of psychology and sociology. The 1946 edition reflects the growth of interest in sociological studies of small groups, which can be instructively applied to groups in administration: a theme more fully worked out in the text-book on Public Administration published by Simon, Smithburg and Thompson in 1950 (Knopf, New York: reviewed in PUBLIC ADMINISTRATION in Summer, 1951, Vol. XXIX, p. 131). This is not abandoned in the edition of 1953, but interest in the dynamics of small groups is supplemented by interest in bureaucracy as a traditional

BOOK REVIEWS

institution in great states: there is a swing from Elton Mayo to Max Weber. This may have happened because American bureaucracy is stabilising, after the long extemporisation of the Roosevelt era, in peace and war. Or perhaps academic students are forgetting or reacting against the emphasis on human relations and personal idiosyncrasies in government, which was natural to amateurs pitch-forked into a bureaucracy in time of war. Certainly what struck the amateur first was that bureaucracy is not at all like the public "stereotype" of bureaucracy; the resemblance to a great machine is much less marked than the resemblance to a collection of squabbling villages or college common rooms. This is interesting enough, but it is easy to overdo it. Probably the time was ripe for a reaction toward larger perspectives, such as Max Weber can supply: and also toward a more active sense of the moral issues raised by big bureaucracy in big democracy. Here the work of Professor C. J. Friedrich and Dean Paul Appleby has been extremely influential.

This ground is more familiar to us than that of group psychology, but the American language has now absorbed a good many idioms which will seem strange to the average British graduate: "Communication is the heart of management"; "the cultural nature of communication"; "communication as therapy"; "employees can be most effectively motivated by people-centred and democratic leadership aided by favourable institutional environment"; "leadership is situational." Professor Pfiffner and Professor Presthus have much practical good sense, they do not write jargon, and these phrases have a fairly exact meaning in their own context: but the context is much less familiar to us than to the Americans. The book is written to be used mainly by graduate students who have already in their first "Arts" degree taken a good many introductory courses in different branches of social science; it postulates more time for teaching in public administration than is now available here; and it is backed up by the existence of other teaching material, of which Professor Dwight Waldo's book is an excellent example.

Professor Waldo is known in this country primarily for his book on *The Administrative State* (reviewed in PUBLIC

ADMINISTRATION in Winter, 1948, Vol. XXVI, p. 278, by the late Professor Harold Laski), which brought doctrines of administration into the field of political theory in a very original and stimulating way. The present book is less original in character, but it is also very well done. It consists of selected passages from many authors, arranged under chapter-headings not unlike those used by Professors Pfiffner and Presthus, and linked by a brief commentary. The material is as miscellaneous as the contents of a public administration text-book of the new type: it ranges from philosophical and sociological generalisations to official papers on questions of policy, reports of dramatic incidents in administration, and controversy about technical matters such as the grading of posts in the civil service. The range is wide, but in a sense this makes the book more manageable than other American "source-books" which cover narrower fields at greater length. The very influential *Reader in Bureaucracy*, edited by Professor R. K. Merton and others (Merton, Grey, Hockey and Solvin: The Free Press, Glencoe, Illinois, 1952), illustrates one approach to bureaucracy (that of Max Weber) with such force as to exclude others from the student's mind. *Studies in Leadership* (sub-titled *Leadership and Democratic Action*: Harper, 1950), edited by Professor Alvin M. Gouldner, brings together different approaches to a single theme, but the theme is only one of many themes in the field of public administration. The results of the Inter-University Case Program, *Public Administration and Policy Development*, edited by Harold Stein (Harcourt, Brace: 1952), is fascinating, but so enormous that it is terrifying even to Professors. The background of Professor Waldo's book is American; it is expensive to buy in sterling; and it could not be used in teaching in this country except as a quarry from which to draw material for discussion. But it does seem possible that a "source-book" of the same type, framed to meet our own needs, might be an experiment worth trying. Public administration is a meeting place of disciplines, and the worst problem in teaching it is to give something from many disciplines which is not a smattering but an education in criticism, selection and judicious use.

W. J. M. MACKENZIE.

Report of the National Youth Employment Council on the Work of the Youth Employment Service, 1950-53

(H.M.S.O.), 1953. Pp. 49. 2s.

It is now fifty years since concrete proposals were first broached for setting up a system of bureaux in order to give advice to school-leavers and supervise their progress at work and evening school, and less than a decade since embarrassingly similar proposals were hailed as a paragon of progress. Judged against the aspirations of 1945 the latest report of the National Youth Employment Council, covering the period 1950-53, will give a measure of satisfaction, but judged against the enthusiasms of 1904 it records a rather meagre achievement. The Youth Employment Service is still subject to a dichotomous administration at ground level; provision for the 25 per cent. who leave school after the statutory age is "too early to judge"; little has been accomplished in the way of training Officers already employed in the Service; review of young workers' progress is "not altogether satisfactory"; and the application of recruitment and training schemes is disappointingly patchy. It is not surprising that the Council labels the past three years as a period of "stability."

There has, of course, been progress; statistics and subjective judgment both confirm this. The status of the Service generally has been enhanced, and this is not simply a reflected benefit of full employment; it is the result of solid achievement in the field. But in matters of administration, with which these comments are chiefly concerned, the Council blissfully takes the *status quo* for granted and has ostensibly disregarded major and stubborn issues which still obtrude in practice, the most important of which is dual control by local education authorities and the Ministry of Labour.

That this is still a burning question is evident from the articles by Mr. K. H. B. Frere and Mr. H. Heginbotham in the Summer and Autumn, 1953, issues of this JOURNAL and from an important address given a year ago by the Chief Education Officer for Birmingham. He asserted bluntly that the Youth Employment Service was "a natural and proper duty for a local education authority . . . it lies at the very heart of its duties . . ." (*Youth Employment*, Vol. VI, No. 1).

Whatever may be said on issues of principle in this debate, the fact is that 87 per cent. of the population is now provided with a Service by L.E.As. The Ince Committee was unequivocal in saying that "the only really satisfactory system can be one in which the work is done in all areas by one organisation." It would now need little legislative or organisational disturbance to turn this aspiration into reality. It would certainly be wise administration to do so, for enactments with optional provisions have inherent weaknesses in practice. It cannot be satisfactory for Youth Employment Officers under L.E.As. to feel that at any time their Authority's Service may be revoked, *however efficient they may be*. The debates which took place last year in some Local Authorities on the abandonment of the Service were all inspired by questions of economy, none on the issue of comparative efficiency. In view of the Ince Committee's strongly expressed attitude it is arguable that the National Council had and still has a duty to keep the question of over-all administration constantly under review.

That is not to say, of course, that there is not co-operation between Youth Employment Officers and the Ministry. The reverse is generally the case, and goodwill on all sides has helped the Service to function remarkably smoothly. Unfortunately, the general spirit of willingness, not to say zeal, which imbues the Service has led the National Council into assumptions about the present machinery of administration which will hardly bear examination. The Central Youth Employment Executive, which consists of five civil servants representing the Ministry of Labour, Ministry of Education and Scottish Education Department, is apparently a workable and successful arrangement. But when the Council claims that "Regional Representatives" at each Regional H.Q. have "proved advantageous" it is on more contentious ground. These "Representatives" are not specialists in youth employment—this function is generally one of several which they handle and often they have held their posts for very short periods. An organisation similar to that

of the Ministry of Education might be more effective, in which divisional inspectors might combine the duties of inspection and development. The whole problem of communication between the field worker and the ultimate executive is not, of course, peculiar to the Youth Employment Service and it would be rash to expect easy solutions. The National Council showed a want of prudence that it did not lack in other respects in reaching the facile conclusion that the machinery was "working successfully."

The Council very properly gave some prominence to schemes of recruitment and training in industry. Effective training is an essential corollary to good vocational guidance. Yet the implementation of these schemes at local level by voluntary committees is most inadequate and in some areas they have never existed. They are largely a failure. The Council's only response to this is to adjure Youth Employment Officers "to miss no opportunity of furthering the schemes," and to "hope" that detailed surveys "will lead to useful developments." Despite the wide publicity given to the Anglo-American Productivity Reports and the comparative success of the United States Bureau of

Apprenticeship in initiating apprenticeship schemes its lessons are ignored. "The Bureau has found," says the Productivity Council's report on *Training of Operatives*, "that there is little advantage in setting up an apprenticeship scheme unless a continuing official maintenance service is provided." The latter refers to a corps of full-time experienced fieldworkers. Unless a substantial effort is made on the lines of the American example, possibly within the framework of the Youth Employment Service, then most of the good work done in preparing the schemes can never be profitably applied.

The Council has not had an untroubled tenure of office. There was, for example, an unhappy compromise over the confidential nature of a Youth Employment Officer's interview notes, of which there is curiously no mention in the report. But, most important, there were the ubiquitous economies which fell hard on a growing Service. These the Council accepted as a "challenge." It is to be hoped that the incoming Council will face up to its exacting remit with comparable determination and, perhaps, rather more percipience.

TUDOR DAVID.

The Neglected Child and the Social Services

By D. V. DONNISON (Manchester University Press), 1954. Pp. 152. 12s. 6d.

MR. DONNISON has chosen a title which disguises both the true nature and the originality of his approach. A neglected child is about the saddest thing in this world; but Mr. Donnison is not thinking, or writing, in those terms. He is making a well designed, objective study of some current problems of social administration in a context where they are focused in the neglected child. The neglected child is his point of entry; the administration of the social services as a whole may be his ultimate destination; at any rate it is towards this that some of the conclusions based on his more clearly marked corner of the field seem to be going; but on the way he has found a method of presenting his own chosen bit of territory mainly in terms of fact and measurement, rather than the hitherto more usual opinion and description.

His bit of territory is circumscribed by the Children Act of 1948. In 1946 the Curtis Committee initiated a departure from some of the administrative principles

on which our social services had been built; to look after children without homes of their own there were to be departments for children, run by social workers trained in child care. The committee did not deal with the "children who though suffering from neglect, malnutrition or other evils, are still in their own homes under their parents' care," but "the consideration of the welfare of children deprived of home life has inevitably raised in our minds . . . the question whether this deprivation might not have been prevented" (Report, p. 7). To this question the House of Commons, stimulated by a further, unofficial, report, "The Neglected Child and His Family," addressed itself more than once. The result of the subsequent official working party, in May, 1950, was the Joint Circular on Children Neglected or Ill-treated in their own Homes, which put forward the view that the existing social services, if co-ordinated and brought to bear soon enough, were adequate to help these children, and pre-

vent their deprivation. In 1951 Dr. John Bowlby's report on Maternal Care and Mental Health examined in the words of *The Economist* (1951, p. 1427) "the floor of an edifice of child care of which the Curtis Committee in 1946 examined the superstructure" and established "the overriding importance" of relieving the parents rather than removing the children. And at the same time the steadily increasing number of children taken into care drew attention to the financial position: an authority might well have to spend as much as £30 or £40 a week on maintaining the scattered members of a family which perhaps could have been kept intact, and inexpensive, with earlier help. The number of children in care in England and Wales has increased from 55,255 in 1949 to 64,682 in 1953 and the weekly cost of a place in a residential nursery varies from £10 0s. 6d. to £5 12s. 1d. (Middlesbrough with £3 9s. 3d. is exceptional).

All this is the background to Mr. Donnison's study. From the national point of view, the essential in child care is to help the natural family to do its job properly rather than expend man-power and money on the costly but inadequate substitute of artificial homes and foster-parents. Social services are only one factor in the problem, but so far as they were concerned, co-ordination, according to the Joint Circular, was all that was needed to produce results: by good co-ordination the right help could be given at the right time. To test this policy, Mr. Donnison examined the records of 118 families whose 180 children came into "long-stay" care in Manchester and Salford in the first six months of 1951. Twenty-three different social services had helped these families and were able to give information about them; 61 families, for instance, had been helped by at least 3 to 6 services, 46 by at least 6 to 11. Mr. Donnison analyses the work done by statutory and voluntary bodies for his sample and in particular measures their co-operation. His conclusions give no support for the arguments of the Joint Circular. Although in almost all the services he found some workers who were "well fitted in character and outlook," if not by training, for the kind of work that is needed, yet in all the statutory services and in many of the voluntary services they were hampered and frustrated by their administrative setting. "Those who worked in the services often appre-

ciated these wider problems and many of them tried to help families over difficulties which, strictly speaking, need not have been their concern. But such work had always to be done in the workers' spare time, as it were; and it was done by people whose authority, training and case-loads were all designed for other purposes." This is not necessarily a general indictment of the social services. What Mr. Donnison is saying, and on good evidence, is that the present functional services even when co-ordinated, cannot deal with child-neglect.

Children who come into care, at first sight, fall into two groups, those "deprived of a normal home life" that is, the victims of some fairly obvious misfortune, and those described as "neglected" who present social problems of various kinds. Mr. Donnison starts off by discrediting the distinction between the two. "Many children, from both groups . . . had no secure or effective upbringing". Out of 46 so-called "deprivation cases" 33 showed signs of neglect. It would be interesting to know if this Manchester experience is paralleled elsewhere. Mr. Donnison has also worked out a measure of neglect which is of doubtful universal validity though sound enough in relation to his particular families. He chooses seven features which combined together provide a reliable quantitative estimate of neglect, though none gives adequate proof if taken alone, viz:

1. Visits to the family by a health visitor at intervals of four weeks or less over a period of three months or more.
2. Visits to the family by school welfare officers at intervals of seven days or less over a period of two months or more.
3. The opening of a case on the family by the N.S.P.C.C.
4. The presence of two or more illegitimate children in the family.
5. Desertion by either parent at any time for a period of one month or longer.
6. Imprisonment of either parent since the birth of their first child.
7. The father physically fit but out of work and drawing National Assistance for a period of one month or more.

These tests are clearly of unequal weight: desertion or the intervention of the N.S.P.C.C. are *ex officio* marks of neglect. But, in fact, the rating for degrees of neglect based on the tests tallied with the

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rating according to the case histories. There are perhaps other syndromes that would have worked as well. If so, however, it would only go to confirm the main point of this first part of the study: that child neglect is but one aspect of family unsatisfactoriness, family inefficiency: the neglect is only a symptom; it is the family, not the child alone, that needs attention.

In the second part, an illuminating review of the local social services, Mr. Donnison shows that none of them except the Family Service Unit did, in fact, attend to the family, and he demonstrates why it was that none of them was in a position to do so. In general, the statutory social services are too specialised and their staff have neither time nor training for the comprehensive and personal kind of work involved. The school welfare officers, for example, who had a particularly close insight into their districts and their problem families, had between 300 and 350 weekly visits to pay: their mandate was to see to school attendance; and it is significant that of the 62 families whom they knew, they missed 9 of the most serious precisely because in those instances grave neglect was not accompanied by non-attendance. The same comments apply to the National Assistance Board, the housing departments, the welfare services, the health services and even the probation service, though of course the probation officers knew their families much better and had much wider scope. In the light of current controversy about health visiting Mr. Donnison's impartial account of its effectiveness in this problem is worth study. Some of the health visitors were well fitted for social work, and in the smaller authority, where there was more co-ordination and less specialisation, they knew some of the families better and were not so limited in scope. For instance, Mr. Donnison cites the worker who persuaded neighbours to invite one outcast problem child to a local birthday party and another who went to see a doctor herself on behalf of a mental mother. But when, he asks, did the health visitors know the real problems? and deal with them? He is bound to answer that they did not. They seldom knew the family as a whole, their concern being the mother and child: they could leave serious neglect unmarked, provided that the children in question were physically healthy; and they knew little of the social problems involved

(see p. 38). The reasons for this are the same: specialisation, heavy normal case-load, and lack of social training. There seems less understandable reason for the health visitors' low rate of co-operation with other social services, particularly in the larger authority.

It must be repeated, however, that this is not necessarily an indictment of the social services, but only of the social services in relation to unsatisfactory families. "Although the aim of all social services is to contribute to the health, happiness and unity of families, it is not the *chief* aim of any of the services discussed so far. They dealt only with particular individuals or particular needs; they did not deal with the family as a whole." They are indeed all designed for particular needs of the normal population—people who only require little help and know how to make use of it when offered; but where a particular need is only a symptom of other troubles, none of the specialised services can at present deal with root causes, and the conflicting policies put forward by the multiplicity of special visitors is a further destructive factor which can only be neutralised by rigorous co-operation. Co-operation, which Mr. Donnison usefully divides into referral and discussion, is a necessary by-product and concomitant of the specialised structure of our social services. The Joint Circular was right in putting it forward as part of the routine, though Mr. Donnison indicates that the formal co-ordination achieved by heads of departments on routine committees is no substitute for the informal co-operation between the workers on the spot which flourishes more easily in smaller organisations. Co-operation, however, is an antidote to the possible ill effects of a certain administrative structure; it is no cure for tensions which that structure was not designed to carry. There is an implied distinction here between social services and social work which sooner or later will have to be acknowledged. But Mr. Donnison does not enter into that now and is content to put his own moderate and ingenious suggestions for improvement in his chosen field of study without reference to their wider implications. His contribution to precise knowledge in a corner of social administration would be much fortified if similar studies could be carried out in other parts of the country.

UNA CORMACK.

The Spread of Towns

By GEOFFREY D. M. BLOCK (Conservative Political Centre), 1954. Pp. 56. 1s. 6d.

THIS booklet has value on two grounds. It assembles within a short space a lot of information, culled from newspapers and periodicals, Ministry circulars, local development plans, and other sources, relating to urban congestion, new towns, and overspill schemes under the Town Development Act. It also displays an understanding attitude towards the social goals of town planning and refrains from twisting the facts to fit party prejudice—welcome qualities in a political publication.

The first chapters explore the case for the conservation of agricultural land. This cause has been embraced far too fervently and uncritically by the Conservative Party among others; some Ministers in fact accept it as the first objective of planning and Mr. Macmillan notes in his foreword that agricultural land should be developed "only in the last resort." Mr. Block notes that planning machinery is itself "a built-in impediment in defence of agriculture," since it protects farm land from the operation of the market. He emphasises the considerable role played by the Ministry of Agriculture in safeguarding the best land—sometimes at the price of increasing building costs considerably.

Mr. Block's purpose is to show that agricultural land is already reasonably well protected and that further shouting is unnecessary. He deflates the more alarmist versions of the effect on food production of continued urban development. But he makes no attempt to consider conservation in relation to the broader economic issues of agricultural production; or to explore its cost in relation to such logical alternatives as investment in marginal land and land reclamation or restoration. These chapters have an unfinished air, because they

assume too much, but at least they administer a corrective in the right quarter to what is becoming an unthinking dogma.

The best chapters deal with the new towns and the overspill schemes. The scale of congestion in the big towns is well analysed, and the case for moving out both people and jobs to new communities is well put. It is shown that progress in achieving this goal has been greater than is sometimes realised, and that the Conservative Government has helped to lubricate the necessary machinery. New towns have been wrongly regarded as "the residuary legatees of the capital investment programme"; but some of them at last are growing rapidly. Successive Governments have been reticent and seemingly ashamed of the scale of investment in new towns; yet, as Mr. Block points out, the investment may prove remunerative in an economic as well as a social sense. Some of the new towns should show a profit, although built at a time of high building costs.

These facts render less comprehensible the attitudes of some Government departments. Mr. Block courageously castigates the Board of Trade for its blindness to the need of new towns for industry—without which they lose their *raison d'être*. He might have done likewise with the Treasury for its niggardly attitude toward new town development. The fault seems to be that in the Cabinet (as also in the Labour Cabinet) many Ministers know little and care less about the purpose of planning. Even Mr. Macmillan in his foreword puts the whole emphasis on housing, not planning. In such circumstances the emanation from party headquarters of a booklet such as Mr. Block's must be counted a blessing as well as a surprise.

PETER SELF.

BOOK NOTES

Royal Commission in the Civil Service

Introductory Factual Memorandum submitted by H.M. Treasury. H.M.S.O. 1954. Pp. 184 + appendices. 6s.

This is a mine of authoritative information about the pay and conditions of all classes of the British Civil Service covered by the National Whitley Council—744,512 in all at the 1st July, 1953. 44 pages form a general introduction and commentary and then each class is taken in turn—duties, numbers, recruitment and developments in pay and structure.

The Queen's Government

By SIR IVOR JENNINGS. Pelican. 1954. Pp. 158. 2s. 6d.

This is extremely good value. Students and citizens should be greatly indebted to Sir Ivor Jennings for providing such a compact and reliable introduction to the British constitution. It is, of course, mainly concerned with Parliament, Cabinet and politics, but there is a useful chapter on the Law and the Judiciary and a few pages on the Civil Service.

British Public Finances, 1880-1952

By URSULA K. HICKS. Oxford University Press. Pp. 225. 6s.

This is No. 227 in the Home University Library. After a survey of the growth of public expenditure and the changes in its composition, the author deals in turn with changes in the tax structure, local government finance, the budget and its relation to economic policy, and the management of the public debt and borrowing. The viewpoint is largely that of the economist, not of the administrator, but the student of administration will gain a great deal from seeing the issues of public finance dealt with in this manner by such an international expert.

The Municipal Year Book, 1954

Edited by CLARENCE RIDLEY and ORIN NOLTING. International City Managers Association (Chicago). Pp. 613.

This is an indispensable year book for those interested in American local government. Detailed information is given about the type of local government,

numbers of officials, the services provided, etc., for some 2,500 towns.

The Federal Constitution of Switzerland

Translation and Commentary by CHRISTOPHER HUGHES. Clarendon Press (Oxford). 1954. Pp. 223. 25s.

This contains a new translation of the Swiss Constitution with the German text and of two other important constitutional documents. Each article with a commentary is given in turn. There is a select bibliography, and the book is extremely well and helpfully indexed.

Power and Influence

By LORD BEVERIDGE. Hodder and Stoughton. 1953. Pp. 448. 30s.

LORD BEVERIDGE writes vividly about his life, experiences and activities mainly in the public service and in the Universities. He uses this to comment on the place of the power of governmental sanctions and laws and on the influence of the appeal to reason and the emotions. It will interest the historian, the student of government and those who want to know more about the writing of the famous Report. The last part, dealing with the reception of the Report by the public and by the Government and with Lord Beveridge's brief Parliamentary career, is unfortunately marred by some unnecessary bitterness and a certain lack of perspective.

The Law in Action

Stevens. 1954. Pp. vii + 90. 7s. 6d.

This book contains a reprint of a series of talks broadcast in the Third Programme on contemporary decisions of the English courts which raise questions of general concern both to the practising lawyer and to the interested layman. The contents comprise a foreword by Lord Asquith of Bishopstone, "The Question of Damages for Shock" by Professor A. L. Goodhart, "The Liability of Hospitals for Negligence" by Professor C. J. Hamson, "The Matrimonial Home" by R. E. Megarry, "Expulsion from Trade Unions" by Trevor C. Thomas, "Public Mischief and Conspiracy" by Professor Glanville

Williams, and "Administrative Law and the Right of Self Defence" by H. W. R. Wade. Mr. Megarry was also responsible for editing the material for publication in book form.

The Parliament of France

By D. W. S. LIDDERDALE. Hansard Society. 1954. Pp. xix+296. 21s.

THIS is the revised second impression of a standard work which was fully reviewed at pp. 349 ff. of the Winter, 1953, issue of PUBLIC ADMINISTRATION.

The General Rate

By C. A. C. CHESTERMAN. P. & T. Publications (Folkestone). 1954. Pp. xxv+362. 30s.

THE aim of this study is to provide a practical and comprehensive guide to the levy, collection and recovery of the general rate. Special attention is devoted to the peculiarities of rating procedure in the City and County of London. Although primarily intended for rating practitioners and students, the book should also prove of value to professional advisers and others concerned with estate and property management.

Local Authority Finance, Accounts and Auditing (Third Edition)

By J. H. BURTON. Gee. 1954. Pp. 304. 25s.

THE latest edition of this work has been completely rewritten and divided into four parts dealing in turn with administration in its various aspects: practical administration—finance and accountancy; problems, controversial and otherwise; and auditing. It claims to provide a comprehensive guide on all matters of local government finance, accountancy, auditing and organisation.

The International Flow of Private Capital, 1946-1952

United Nations and H.M.S.O. 1954. Pp. v+61. 3s.

PREPARED, at the instance of the General Assembly of the United Nations, by the Department of Economic Affairs, this study analyses the volume and nature of the flow of capital during the period under

review, and considers the factors which tend to limit that flow and thereby to restrict the economic development of under-developed countries.

A Survey of Local Government in the Philippines

By JOHN H. ROMANI and M. LADD THOMAS. Institute of Public Administration, University of the Philippines (Manila). 1954. Pp. iii+151.

THE authors review briefly the development of local government in the Philippines since the Spanish occupation and also consider, on the basis of material gathered in 1953 by means of field survey, the present position of the various types of local authority. In the final chapter they put forward various proposals for reconstruction and reform.

Forms of City Government

Institute of Public Affairs, University of Texas (Austin). 1954. Pp. v+28. 50 cents.

THIS is the third edition of a useful comparative survey of the three main forms of local government to be found in Texas—mayor-council, commission, and council-manager. For each form the compilers indicate the main characteristics, organisational structure, and extent of adoption in the state.

Newspaper Reading by University Students

By S. MOOS, A. LAING, A. J. ODBER and DR. P. A. BROMHEAD. University of Durham. 1954. Pp. 55. 2s. 6d.

IN this report are embodied the results of a survey carried out by the Durham Colleges Department of Social Studies into the reading habits of sample groups of students in both men's and women's colleges.

The Beaverbrook Press and the British Council

British Council Staff Association 1954. Pp. 12. 6d.

THE British Council Staff Association published this pamphlet at its own expense in order to reply to certain of the recent criticisms made against the Council by the Beaverbrook newspapers.

BOOK NOTES

Building the Board

By HARLEIGH B. TRECKER. National Publicity Council for Health and Welfare Services (New York). 1954. Pp. 109. \$2.00

THIS book is described as "a manual on recruiting and holding effective board members for your organisation" and much work must have been put into the study by Mr. Trecker. It attempts to record the experience of some 96 voluntary agencies in the United States. The kind of detailed work by nominating committees described in these brief pages may appear to the British reader to be somewhat idealistic as it is often difficult enough to find able people willing to serve on committees and boards. When on page 79 it comes to expecting that busy minority who have accepted voluntary office in organisations to undergo elaborate training in their new duties, the book becomes unrealistic—however desirable this training might prove to be.

Fuel for the Nation

The Gas Council. 1954. Pp. 78. 1s.

THIS attractively produced booklet outlines the programme and lines of development which the industry expects to carry out during the next six years. The book includes a number of useful illustrations and statistical information.

Local Government

By RONALD E. WRAITH. Penguin Books. 1954. Pp. 124. 1s. 6d.

Food and Health

By S. D. ONABAMIRO. Penguin Books. 1954. Pp. 124. 1s. 6d.

The Machinery of Self Government

By DAVID KIMBLE. Penguin Books. 1954. Pp. 124. 1s. 6d.

THESE are the first three books to appear in the Penguin West African Series, which should be of great value to all those interested in the administration of colonial territories and especially those in Africa. Mr. Wraith's able and critical pen attempts to relate English local government to native administration in West Africa. Dr. Onabamiro tackles the problem of ill-health due to inadequate feeding and

he suggests ways of educating a population, from school-age, to make the best use of the food available. It is disturbing to learn that only one in forty West Africans is adequately nourished. Mr. Kimble analyses self-government in modern West Africa and outlines some important questions that require consideration—particularly in the sphere of central government. The extracts from George Orwell's satire *Animal Farm*, used to preface each chapter, might perhaps have been omitted in view of the present political immaturity of Africa.

Concise Handbook of the Council of Europe

Council of Europe (Strasbourg). 1954. Pp. 86. 1s. 6d.

A USEFUL factual account of the aims and structure of the Council of Europe, and of its work during the first four years of its existence.

The Constitution and Powers of Parish Councils and Parish Meetings

By CHARLES ARNOLD-BAKER. National Association of Parish Councils. 1954. Pp. 36. 1s.

THIS brief handbook is the second in a new series dealing with the law of parish government.

Living Longer

Exeter Lecture Papers. National Council of Social Service. 1954. Pp. 72. 3s. 6d.

Growing Old in Common Lodgings

By E. MIRIAM SARGAISON. Nuffield Provincial Hospitals Trust. 1954. Pp. 66. 3s. 6d.

THE Exeter papers are lectures organised by the South-West Regional Group of the Royal Institute of Public Administration with the co-operation of the University College of the South West and the National Council of Social Service. Contributors include two medical officers of health, a consultant psychiatrist and others with first-hand knowledge of the problems of the aged. Many older people are willing and able to help themselves and the papers rightly suggest that they have an

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active and important part to play in the life of the community.

The Nuffield Provincial Hospitals Trust, in publishing Miss Sargaison's factual survey, reveals the inside activity and conditions of lodging houses in her native Belfast, where some hundreds of elderly men end their days. She studies the reasons which bring old men to this type of life and the facts reveal that there are many deficiencies—sometimes warmth, food, chiropody and very often a lack of purpose in living. One man interviewed sums up the general feeling by remarking "us old men have a past but no future, and we are too old to hope."

Students, social workers and others

interested in the problems of old age should welcome these publications.

Saggio di una Teoria delle Limitazioni Amministrative nel Quadro del Diritto Pubblico

By G. VIGNOCCHI. Zanichelli (Bologna), 1953. Pp. 90. Lire 500.

THIS essay is an attempt to establish conceptual categories within which to classify the various limitations imposed by administrative authorities on the citizen. It is a highly abstract argument which is always subtle, and sometimes unclear. It is difficult to see how it could be useful to students of public administration, except for its very full bibliography.

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